

ALASKA LEGISLATURE COMMITTEE FILES 1981-1982 8072

1942 SRES SB 889 - SCR 14

199

HB 840

- (1) 150,000 for water and sewer feasibility studies in the following communities:

CHIGNIK BAY -- feasibility study                      \$50,000

It is a high priority of the community of Chignik Bay to have a buried water system which will provide water at sufficient pressure for domestic use and fire protection. The water and sewer system at Chignik Bay is make-shift, insufficient for the community and a health hazard. Water is supplied by a pipeline which originates at a reservoir 500 feet above and behind the village and terminates at the Alaska Packers Association Cannery. Residents have tapped into the line and supply their homes by running plastic pipes on top of the ground. The system freezes in winter, of course, creating an inconvenience and fire hazard.

Sewage is disposed of by direct discharge into the Indian River, into a stagnant pond behind the village, and into private septic tanks, most of which do not have drain fields. During the fishing season when the village population increases from 200 to close to 1000, it is common to see and smell raw sewage near the cannery.

CHIGNIK LAGOON -- feasibility study                      \$50,000

A centralized water and sewer system is one of the village's main priorities. Residents get their water from private shallow wells or from nearby streams by running hose or pipe on the ground. The gravity flow systems freeze in the winter, and some of the wells are contaminated by residential cess pools. Villagers also report that some of the streams are slightly contaminated. The U.S. Sanitarian in Dillingham says several new homes are being built upstream, which will aggravate the contamination problem, and in his opinion, an improved water and sewer system in Chignik Lagoon is already desperately needed. In addition to health reasons, residents want centralized system for fire fighting.

MANLEY HOT SPRINGS -- feasibility study                      \$50,000

Obtaining a good quality source of drinking water is a high priority in Manley Hot Springs. There are twelve private wells in Manley Hot Springs. The water from these wells is used for washing clothes, due to the high mineral content of the water. For drinking water purposes, residents of the village currently use water from the hot springs which has been run through a home heating system. This water contains an extremely high content of natural fluoride, which is very detrimental to the children's teeth. These funds are going to DEC to do a feasibility study to find a good source of drinking water.

ST. GEORGE -- Water Project

\$955,000

The following is from a letter written in 1980 by the Department of Environmental Conservation to a St. George resident:

"A check of our files confirms the high sodium content in the St. George water supply. I also learned that residents have been concerned about this problem since 1972 and from time to time various government agencies have attempted to resolve the matter, but to no avail."

There is a small (400 gallon/day) desalination unit in the village which is operated by the federal government, but the unit does not supply enough potable water for the community. One possible solution for correcting the situation would be to install a second desalination unit, but with the National Marine Fisheries Service's planned withdrawal from St. George in a few years, there will be no technical personnel on the Island capable of handling the complicated operations and maintenance of such a unit. Rather than put in an expensive machine which has proven to be difficult to maintain, a more sensible solution might be to pipe water from three lakes located 3.5 miles from town.

The Public Health Service estimated \$955,000 is needed to solve the St. George water problem. The appropriation includes monies for design and engineering.

Kongiganak -- Water & Sewer Project

\$75,000

The VSW facility consists of a laundromat, bathing facility toilets and a central watering point. The source of water for this is the river and is supplemented by the drainage from the school roof. The village well's water is of marginal quality and the facility is inoperable when the river water runs salty. In the winter ice is used as a domestic water source and during the summer the main source is rain water or ponds. The clinic's water supply is from rain water. Some funds were provided in HB 334 for the purpose of: increasing water storage capacity and locating a potable water source. These funds are needed to complete that project. This is not a duplication of last year's project.

Iguigig -- Well

\$50,000

Community residents obtain their water from the Kvichak River and a nearby spring. Neither of these sources are treated. The school uses an infiltration gallery on the river to obtain its water supply HUD plans to construct homes this spring which would further complicate the problem. Existing health conditions will undoubtedly be improved if a central watering point were constructed. These funds are for the purpose of construction of a central watering point to provide clean, treated water for the village.

Togiak -- Well

\$100,000

Public Health Service, a few years ago, drilled a 50' deep well which is the water source for the community. A 60,000 gallon wood stave storage tank stores the water supply. There are buried pipes for both water and sewer to serve the homes. The well water table has gone to very low levels in the past couple of winters. Both the clinic and fish processor operate their own wells. The school obtains water from its own well and from the village well. The water is of good quality. The problem is that demand exceeds supply. This necessitates the drilling of another community well.

Platinum -- Well

\$50,000

A shallow hand dug well provides a water source for the community and school. This well is your basic open hole in the ground with a wooden lid, so that it is not protected from surface contamination. These funds would improve the only main water source for Platinum.

Koliganek -- Water and Sewer Project Upgrade

\$75,000

The community has a 100' deep well for a water source. Water and sewer service lines are piped (buried) into homes. Water supply lines experiences occasional freeze-up due to poor insulation on pipes. Sewage disposal methods are by means of septic tanks, honey buckets, and flush toilets, which are discharged into a stream through the village sewer system. These funds through DEC would provide a desperately needed upgrade of the water and sewage disposal system. The installed by PHS has failed while sewage is currently draining into the Nushagak River.

Noatak -- Water Project

\$400,000

This is the top priority for Noatak. The community has a well which is 550 ft. deep, and supplies a 50,000 gallon wood stave storage tank. Before 1980, water was piped to some of the homes. In 1980, the water line was damaged and service to most of the homes has been disrupted. These funds are to expand and upgrade the distribution system. It is also intends that the pipes will be properly insulated and the pump house be heated.

Hooper Bay -- Feasibility Study

\$200,000

PHS drilled a couple of wells to provide Hooper Bay with its water needs. Many homes collect rain water, or get water from a pond or ice. PHS had constructed a pump house and storage tanks, but they were destroyed by fire in 1971. In 1980, a state grant was used to renovate the pump house and extend a summer transmission line.

Also in 1980. PHS repaired the frozen well. Honey buckets, and nine sewage bunkers are used for waste disposal and are located within 50 yds. of the village. Hooper Bay is located at sea level and there is a very high risk of contamination to the water wells. Hooper Bay has a population of 600 and is in desperate need of an adequate supply of safe water. These funds are to go to DEC to assess and design a feasible water system for this community.

Chevak -- Water System Upgrade

\$370,000

The village has two VSW watering points. A heavy iron taste was noted after the water was treated and this is unacceptable to the villagers. Some use ice and rainwater for drinking purposes and utilize the VSW facility for bathing only. One of the watering points is shut down because of problems such as sand infiltration, and freeze-up on several occasions due to lack of fuel oil storage capacity. The amount of 370,000 is to go to DEC for remodeling and upgrading of the existing watering point, and to build two new wells, with one located near the airport and the other at the new housing site. Also, two new sewage bunkers are to be constructed with these funds.

Pilot Point -- Water and Sewer Project

\$200,000

Water sources are provided of five private hand dug shallow wells, and a tundra pond. However, the pond does become stagnant during summer seasons. All sources of drinking water are untreated. The village school and clinic utilize the same well for a water source. A packers/cannery operation their water from the lake. Domestic sewage disposal methods are accomplished by the following means; privies, honey buckets, seepage pits, and some homes and school utilize septic tanks. Villagers would prefer a complete water and sewage system with all homes serviced. These funds to go the DEC for water and sewer project.

Ekwok -- Water and Sewer Project

\$450,000

A water and sewer system is badly needed in Ekwok. Since the homes in the community are far distances apart, centralized wells and cesspools or septic tanks are much more economical than one main system. Water samples have been taken and are routinely contaminated from the private hand dug wells. This project is needed to improve health conditions in the community.

(3) \$280,000 for land fills in the following communities:

Manokotak

\$200,000

The dump is currently located about 1/4 of a mile south of the village. A tractor with a wagon, garbage cans, and a rack were provided by PHS for the village solid waste disposal program. The landfill site is covered very irregularly and an improved site is badly needed. This appropriation is to go to DEC and is for cleaning up the existing health hazards that now exist and for preparation of the new land fill area.

Togiak

\$20,000

The community operates an open dumpsite for its waste disposal. The village leaders feel that the current dumpsite is too small and in need of relocation. Plans must be made immediately to relocate the dumpsite or it will pose a serious threat to the community health. The dumpsite should be located further away from the village, enclosed by a fence, and have a good access road. These funds to go to DEC for Togiak land fill.

Twin Hills

\$20,000

The community utilizes an open dumpsite for solid waste disposal. The village has identified solid waste disposal improvements as a top development priority. These funds are to go to DEC for the Twin Hills land fill.

Clark's Point

\$40,000

The community utilizes a pit near the school for its solid waste disposal. Beach dumping has also been noted to occur. A developed and enclosed landfill is greatly needed to prevent serious health problems. These funds to go to DEC for development of land fill.

Section 2. Regional Maintenance Center -- Bristol Bay \$100,000

The sum of \$100,000 is appropriated from the general fund for payment as a grant to DEC for the Bristol bay regional water and sewer center. There are twenty-seven (27) villages in the Bristol Bay Region which have water and sewer facilities which were constructed by PHS. Many of the facilities are on the verge of failure and are barely kept operating by the efforts of two (2) PHS operating and maintenance specialists who serve the entire state of Alaska, and are available strictly on an emergency basis, this allows little or no time for training village water and sewer operators in repairing and maintaining equipment.

Section 2. cont'd

Many villages have broken down backhoes, sludge pumps, boilers, and circulating pumps, because village operators don't have the technical knowledge to repair and maintain equipment. After a village has used a water and sewer system for several years, a system failure can produce much worse sanitation problems than originally existed. A reasonable solution would be to establish a regional maintenance center. This center would provide an operation maintenance specialist to assist villages in keeping their water and sewer systems operable, as well as providing training to the village operator. It is imperative that the original water and sewer investments be protected and kept operable, as well as protecting the health of the people in the Bristol Bay region.

Section 3.

The sum \$215,000 is appropriated from the General fund for payments as grants for water and sewer feasibility studies to the following cities:

Shageluk -- Sewer Feasibility Study \$25,000

These funds are to go to the city of Shageluk for a water and sewer feasibility study. PHS put in a washeteria, watering point and well in 1975 and the community has had problems ever since. A feasibility study is needed to determine the best alternative for this community.

Chudathbaluk -- Feasibility Study \$25,000

PHS constructed a well and watering point in the mid 1970's. Since 1977 the community has had problems with the pipes freezing and breaking for both water and sewer lines. The community's septic tank needs to be pumped to prevent surface contamination. A feasibility study needs to be undertaken to come up with specifications for a workable system.

Nulato -- Feasibility Study \$25,000

A top priority of the city of Nulato is a water and sewer system. Currently, there is a dry, bathing and watering point facility. The sewage disposal system consists of honey buckets and privies. The new townsite is a couple of miles away and they would like a central watering point there. These funds are for a feasibility study to come up with the most economical way to provide these services.

Elim -- Feasibility Study

\$50,000

In 1974 PHS put in a new water and sewer system, however there has been a multitude of problems with the system. If approved this appropriation would enable the City of Elim to come up with plans and specifications for a system that is adequate.

Selawik -- Feasibility Study

\$50,000

PHS ranks Selawik highest with major sanitation problems. In the past it has been established that the cost of a water and sewer system would be prohibitive, however because of the severe sanitation problems, a feasibility study would enable the City of Selawik to come up with plans and specifications for a system that is cost effective and one which would be adequate to serve the needs of the residents.

Anderson -- Sewer Feasibility Study

\$40,000

Anderson is a community of more than 500 people and presently depends upon private disposal of sewage and provision of safe drinking water. There is no public supply. There is a considerable amount of concern in the community that the drinking water will be contaminated because of the proximity to the sewage drain fields. The City of Anderson wishes to conduct a feasibility study for a public sewer system and to explore available alternatives.

#### Section 4.

The sum of \$18,948,900 is appropriated from the General fund for payment as grants to the following municipalities for the following water and sewer projects:

(1) Saxman - water and sewer lines for Revilla Road and Evergreen Avenue, \$150,000

The water source for the City of Saxman is a high concrete dam on Saxman Creek which supplies a 35,000 gallon storage tank. Homes have buried pipe service which was constructed in 1972 by PHS. Inadequate pressure at high homes in town is experienced. Sewage is disposed through a 25,000 GPD secondary treatment extended aeration plant. There are chronic problems with the sewage treatment plant as it is undersized to serve the community. The City of Saxman is requesting \$150,000 for water and sewer lines for Revilla Road and Evergreen Avenue.

(2) Klawock - upgrade and reroute of water system, \$350,000

The water source is a dam on Half Mile Creek. Buried 10" Techite pipe extends 2.5 miles to town, to supply a 100,000 gallon wood stave storage tank. The water supply is sufficient. The village provides good operation and maintenance, but 200 line breaks were noted in the last 8 years. During cannery season, higher sections of town do not get water due to pressure problems. This municipal grant is requested for rerouting and upgrading the water system.

(3) Craig - extension and upgrade of water and sewer lines, \$350,000

A spring box and earthen dam supplies a 170,000 gallon storage tank, and from there, through a distribution system to 150 homes. The system is operated and owned by the City. In 1975, PHS extended the water main to serve 15 units, and installed a trunk system in 1976 to elderly housing units. The existing sewage plant is a Bio Disc treatment system which drains into Klawock Inlet. The three (3) lift stations are used for the sewage disposal treatment plant, were built or improved in 1977. The demand for water currently exceeds supply. The municipal grant requested for the City of Craig is for the extension and upgrade of water and sewer lines to occupied lots, and to replace overloaded pipes in the existing system. An FY 82 appropriation of \$700,000 began the work, but substantially more is needed to finish the project.

(4) Wrangell - Stikine - Evergreen Project, \$1,046,000

Stikine - Evergreen Avenue in Wrangell is a densely populated

area of town. Presently there is no water and sewer service and no fire protection facilities available in this area. Water and Sewer lines would provide hydrant facilities for fire protection. The Department of Transportation is planning to pave Stikine - Evergreen Avenue. Should this be done prior to the installation of water and sewer lines, the paved road would have to be dug up. This would create unnecessary waste and duplication. The total cost of project is \$2,092,000. One half the amount is requested here, and the other half will be sought from DEC.

(5) Sitka - design of specifications for an alternate domestic water source, \$500,000

The present domestic water supply for the City and Borough of Sitka is insufficient to meet present needs. The appropriation would fund a plan to: (1) identify a new source, (2) write specifications for construction.

(6) Haines - water project, \$500,000

By Environmental Protection Agency's mandate in 1975, the City of Haines built a new water treatment facility, as well as changing its water source from a high crystal clear mountain stream, to a lake water source. Since the completion of the project, city residents have been forced to live with a slightly reddish colored water supply. This water supply stains clothing as well as household fixtures. Consultants have advised city that the water coloration problem can be corrected. It is apparent that the plant design was not adequately funded and the filtration units which were needed to remove the coloration from the lake water have never been installed. This funding request is to complete the system and provide clear, safe, and clean water to Haines.

(7) Skagway - water and sewer project, \$1,932,000

Water consumption in Skagway is as much as eight times the normal consumption for a community its size. The main reason for this enormous amount of water wastage is the presence of more than 3 miles of ancient wood stave water main in the town distribution system. This old pipe requires constant maintenance attention, and is a financial drain on the City. The wood stave pipe, and a small amount of A-C pipe, will be replaced with cement lined ductile iron.

(8) Wasilla - sewer planning, design and right-of-way acquisition, \$1,000,000

Funds to go to Wasilla for the planning, design, right-of-way and land acquisition for sewer project. This would encompass sewer collection, treatment and disposal for the city. The sewer system is considered to be a priority fund-

ing item for Wasilla.

(9) Ouzinkie - water and sewer renovation, \$750,000

The City of Ouzinkie needs a new water and sewer system for approximately 60% of the city. Through the years, sewer lines plug up, and in some places the sewer comes up through the ground. Because of pressure problems in the water system, if there was a serious fire, it would be almost impossible to put it out.

The project would renovate about 60% of the present water and sewer system, add additional fire hydrants, add water and sewer service to 14 new homes, and change the present pump fed system to a gravity fed system.

(10) City of Kodiak - design of water and sewer system for Near Island, \$750,000

Near Island is the only direction the City of Kodiak can expand, as it grows. Presently, the city is in the process of designing a bridge from Kodiak to Near Island. The Dog Bay Boat Harbor is presently under construction, on Near Island, and several other public facilities are in planning, including the Fishery Industrial Technology Center.

The firm of Peratrovich & Nottingham has been contracted by the City of Kodiak to do an extensive Near Island Master Plan for island usage, including commercial and private buildings. Detailed plans will be available to the committee by March 3, 1982. This project will consist of design and engineering of a water and sewer system on Near Island, with the main area to receive water and sewer service being the Dog Bay Harbor area.

(11) Sand Point-water and sewer extensions, \$1,300,000

Sand Point's present water and sewer system is incapable of accommodating the requirements of a significant new development area in the community. This area consists of a 25-acre site for the new Sand Point school and a major housing subdivision, located northeast of the present town center. The city's present sewer plant is already handling double the quantity of wastewater it was designed to treat, and expansion of the present facility to accommodate the new load is impractical due to the present plant's location and site characteristics. The community's water system, while capable of providing sufficient water to handle the new area, does not contain sufficient tank storage to serve the developments, nor does the present distribution system even approach the area's boundaries. Construction of the new school is expected to begin in the spring of 1982, and water service and sewerage will need to be in place for its scheduled opening early in 1983. Onsite sewage treatment is impractical due to soils and topographical constraints. The proposed

project consists of extending new main and distributor water lines into the development area and to the new school, including the provision of a new storage tank capable of providing adequate pressure requirements. A new sewer system, complete with a treatment plant sized to treat the development area's wastewater, will also be required. This system consists of lateral and main lines, and perhaps, several lift stations. The city will manage and maintain the system.

(12) Port Lions-water and sewer extensions, \$400,000

In order to hook up the city dock and industrial areas to the water system, 2,700 feet of 6' water main is needed. Replacement of the septic tank at the city dock may be needed. The U.S. Public Health Service has already done the industrial sizing of key water mains within the village. Also, three (3) industrial water filters were installed in the new water treatment building in the summer of 1981. Therefore, the 2,700 foot water extension and working septic tank is all that is needed to put the industrial area and city dock back in working order. An extension of the water and sewer system to the homes along Bayview Drive is needed. This requires 1,200 feet of four (4) inch water main and 1,200 feet of four (4) inch sewer main. The lack of water and sewer extension to this part of town represents a health hazard. The appropriation in HB 840, in the amount of \$400,000, is requested for water and sewer extensions. Remaining funds for the project are expected to be awarded through a matching grant from DEC.

(13) Goodnews Bay - water and sewer system, \$800,000

This Public Health Service water and sewer project, constructed in 1970, includes septic tanks with drain fields and buried water and sewer lines hooked up to homes. The plastic service lines occasionally freeze. The school reverts to a septic tank operation when complications with the sewer system become a problem. Villagers utilize honey buckets when the system is not working. Water is noted to be cloudy and contains sediment. The current water source is an infiltration gallery in a shallow stream which dries up occasionally, and also runs near the dump.

(14) Aleknagik - water, sewer and landfill, \$540,000

A Public Health Service 118' well, located on the north shore of Aleknagik Lake, was built and turned over to the village in 1974. This provides a watering point for some residents. Several private wells (3 on the north shore, and 3 on the south shore) provide water to other residents. Some homes use water from a lake spring, and others use water from Aleknagik Lake. The domestic sewage disposal methods which are used are privies, cess pools and honey buckets. The school, community hall, and clinic utilize a septic tank and some privies for sewage disposal. Many of the individual sewer systems are failing and sewage is draining

into the lake. Residents dispose solid waste at an open dump site, which is accessible by boat on the north shore of the lake. Its proximity to the lake results in some trash getting into the lake. Since many households are hauling water from the lake, a central watering facility would greatly improve health conditions.

(15) New Stuyahok - sewer upgrade; \$90,000

The entire community is serviced by three (3) PHS constructed septic tanks with two (2) drainfields. One (1) septic tank has direct outfall. Equipment to pump the septic tanks was provided in 1976. Drain fields were noted to be backed up in low areas. One (1) septic tank with a drain field is connected to the community system. The clinic is also connected to the community system.

(16) Akiak - water system, \$200,000

DEC, in conjunction with the regional health corporations, developed a statewide priority listing of villages which are most in need of sanitation improvements. Akiak is listed among the village most in need of available safe drinking water and sanitation facilities.

Akiak's water is untreated from the river and the supply is variable. Currently, honeybuckets are dumped in a hole behind the houses. HUD is building 20 houses this spring interspersed among the already existing houses in the village. HUD and AVCP Housing Authority are providing funds to PHS to drill wells and construct septic tank drain fields for the HUD houses. However, they do not have the funds to do the same for the already existing houses while they are there with all of their equipment. PHS has already ordered the materials to be barged to Akiak for construction to begin in May and, therefore, cannot postpone the project. If we wait to get an appropriation through the capital budget, PHS will have to remobilize their drilling and construction equipment late this summer, or may have to wait until next year. This will push up the cost of construction of wells and septic tank drain fields for the old houses to more than 3 times what it would cost if done at the same time as the HUD housing, according to the Housing Authority and PHS.

PHS estimates that it will cost an additional \$200,000 to provide these basic sanitation improvements to the old housing if done at the same time as the HUD housing. If done separately, this summer, with remobilization of equipment, it will cost between \$407,000 - \$600,000.

(17) Akolmiut - outhouses and bunkers, \$31,600

Last year the Public Health Service funded the construction of 18 sewage bunkers for Akolmiut. The City of Akolmiut includes the villages of both Kasigluk and Nunapitchuk. Eleven of the sewage bunkers were placed at the new AVCP Housing Authority housing site in Kasigluk, and seven were

placed in Nunapitchuk. However, more bunkers are needed, as the bunkers built last year fill up rapidly, especially during cold weather. The Public Health Service, due to federal budget cuts, lack the funding to construct any more bunkers.

This appropriation would fund the construction of 18 more bunkers for Akolmiut. Nine bunkers would be placed in Kasigluk and nine would be placed in Nunapitchuk. The bunkers are 8 x 6 x 4 feet and made out of plywood, 2 x 4's, and metal.

(18) Emmonak - water and sewer system, \$2,400,000

On February 8, 1982, Emmonak experienced a fire which destroyed its pumphouse and water system. This water system included a washeteria. The Governor has declared a state of emergency in Emmonak, as the current available water source has containment potential and is totally inadequate to meet the needs of the residents of Emmonak. These funds are requested as a municipal grant to the City of Emmonak as Phase I construction of a project totalling \$4.6 million.

(19) Shageluk - individual wells \$100,000

The amount of \$100,000 will be awarded as a municipal grant to the City of Shageluk for the upgrading of the water delivery system in Shageluk. The current water system is inadequate in meeting the needs of the residents.

(20) Huslia - water and sewer upgrade, \$185,000

The Huslia water and sewer system is presently being upgraded through VSW bond money. These additional funds are needed to complete Huslia's water systems. This is a high priority for the residents of Huslia. The existing funding through VSW is an insufficient amount to complete this system. Additional funds are required to adequately serve the needs of the community.

(21) Galena - water and sewer upgrade, \$185,000

The first priority of the City of Galena is the reworking of the existing water and sewer lines, and extending the waste heat to the vehicle storage building. With rising energy costs, utilization of waste heat is a viable energy conservation measure.

Current water and sewer lines cover only city buildings and the school. Other development will be taking place around

this complex. Extending the current system will bring more of the city on line for piped water and sewer.

The project is estimated to cost \$500,000. This will include planning, construction, materials and administrative costs.

(22) Holy Cross - water and sewer improvements, 20,000

The City of Holy Cross has been having problems maintaining its water and sewer system for several years. Due to its limited equipment, the lagoon hasn't been properly maintained and floods houses in the vicinity. It is a great concern to the residents of Holy Cross that a serious health hazard will occur because of this situation.

The Holy Cross pumphouse also is desperately in need of repair. The roof is caving in and leaks year round.

A grant to the City of Holy Cross would allow for the repair of the pumphouse roof and the purchase of some small new sewage equipment.

(23) Kotzebue - fire protection water line, \$400,000

The present PHS water system in Kotzebue was designed to provide residential water service, and not for fire fighting purposes. The system has recurring problems of low water pressure, in fact, the maximum pressure at which the system can operate, without developing serious leaks is 55 psi. This is not adequate for fighting fires. In addition, Kotzebue has had recurring problems with line freeze up.

The storage capacity is adequate for current needs, but is expected to be insufficient by 1985 or 1990 depending, in part, on the type of new fire fighting equipment the city acquires.

A tragic fire occurred last January in which the community lost their IRA Recreation Center. This was partly due to the inability of the existing water loops to provide sufficient water, although there was plenty of water in the storage tank at the time.

In an attempt to prevent fires in the future, the city has engaged an engineering firm to plan a fire protection water distribution system, which would utilize "dry lines," activated by turning on a pump, to avoid the freeze up problem.

The City of Kotzebue is a second class city with a population of 2,250, and has been growing at a moderate and steady rate. It can no longer protect its residents with its present domestic water distribution system. In 1973 the Insurance Service Office surveyed the structures in Kotzebue, and recommended a 3,500 gpm flow, order to provide adequate fire protection. However, full capacity of the current system is 2,000 gpm, which is also the full capability of the 3 pumper trucks which Kotzebue now has. The fire protection water line requested here, is therefore greatly needed to protect the lives and property of the people of Kotzebue, in the event of fire.

(24) Kotzebue - water and sewer service line repair, 450,000

The City of Kotzebue is a second class city, north of the Arctic Circle with a population of 2,250 and has been growing at a moderate and steady rate. Many of the water and sewer lines are in a state of disrepair. If repairs are done in a piecemeal fashion, it will double the cost of the project. This money is to go to the City of Kotzebue to do all the repairs that they have identified for water and sewer lines.

(25) Kiana -- Sewage Treatment Plant

\$125,000

The Public Health Service constructed the Kiana water and sewer system, and the city of Kiana is presently operating and maintaining the facility. When the facility was constructed by PHS, the aeration unit and its component parts were not installed in a separate room. Apparently PHS did not have the additional funds to relocate the unit. This particular unit must be enclosed separately from the water treatment facilities (i.e. fluoridators and chlorinators) and water storage tanks. Presently the treatment process is by-passed and sewage/waste water is discharged, untreated, into the river. The aeration unit and sewage pumps are deteriorating and collecting rust due to non-use. Therefore, the city requests funds to totally renovate and repair the sewage treatment facility. DEC's project cost estimate is \$250,000 to restore the system. Matching funds for the grant will be provided by DEC.

(26) Shungnak -- Sewer Lines

\$300,000

The Public Health Service constructed the Shungnak water and sewer facility. The waste water and sewage lines are placed underground. A lagoon is located approximately 1/2 mile from the community is used for disposal site. The sewage lines are experiencing breakages which is caused by freezing. Approximately 1/2 mile of pipe for the sewage system needs replacement, in addition, proper insulation with good exterior protection needs to be installed for the system to become operable.

(27) Noorvik -- Water and Sewer Repairs

\$150,000

The Noorvik water and sewer system is very unique in design which operates by vacuum pressure. The water and sewer utilidors were placed above ground because permafrost conditions below the ground would not sustain utilidors permanently. This makes access for repairing clogged and frozen lines more convenient. Since initial installation, the utilidors have sagged due to settling. In order for the system to operate efficiently, service lines must be level, otherwise vacuum pumps would be overworked and decrease their longevity. Fire hydrants were installed in certain sections of the water lines but were not fully completed. Full completion of hydrants need to be done for better community fire protection. The sewage and waste water discharge line, which disposes sewage into a Facultative Lagoon, needs leveling to prevent freeze up in the future. Appropriation of funds is needed to level utilidor lines, complete fire hydrants, and level and repair waste water and sewage discharge line.

(28) Buckland -- Water System Upgrade \$100,000

The City of Buckland operates a washeteria which has laundry, showering, and central watering point facilities. The PHS constructed the washeteria because it was the most economical alternative for them to construct and the community to operate. A 25,000 gallon storage tank is supplied with water from the Buckland River, however 50% of the residents use ice water because the water intake line for the facility froze-up. In the summer, residents receive water through a piped distribution system. In the fall of 1981 representatives of PHS made an on site visit to evaluate the existing system, and determined what improvements could be made to the existing system. PHS estimated for a new water and sewer facility, which would directly provide services through a pipe system, is approximately \$3,000,000. Instead the community opted to renovate and repair their existing system, which would require work such as replacement of worn out pipes and couplings, repair of broken boilers, and repair of the water intake line. Therefore appropriation of funds is needed to restore the present system to an operable level.

(29) Buckland -- Water and Sewage Trucks \$197,400

The City of Buckland's water delivery and sewage collection system needs improvements to improve health and sanitary conditions, this requires two (2) vehicles. The Department of Transportation estimate for each vehicle, including shipping and handling cost, is approximately \$93,700. One vehicle would provide water delivery, with the other collecting sewage and solid waste for disposal to a land fill site.

(30) Deering -- Road to Dump Site \$100,000

An uncontrolled land fill located near the vicinity of the airport is currently being used. Fencing for the land fill site is needed to contain debris. In addition, repair of the land fill access road, which is approximately 1.5 miles in length, needs improvements to make access less hazardous, and available year round. Presently the refuse is stored into 55 gallon barrels in winter and dumped on the sea ice. This appropriation would allow the residents to make necessary improvements to the road and landfill site. The city has the necessary local labor, equipment, and gravel resource to accomplish the project, however funds are needed to finance the proposed project.

(31) Diomedes -- Water Tanks \$363,700

The community of Diomedes's water source is a spring which supplies a 120,000 gallon storage tank. The water supply serves the residents, B.I.A. school, and must also contain a reserve supply for emergency fire fighting. During winter periods the present storage tank by itself cannot sustain Diomedes's water needs, especially with population increases in the future. To insure an adequate water supply, a 150,000 gallon storage tank is needed for a long range supply. This appropriation would allow the community to purchase a 150,000 gallon water storage tank.

(32) Koyuk -- Washeteria Toilets \$3,100

The community of Koyuk operates a washeteria which provides laundry, showering and watering point facilities. When PHS constructed the washeteria, toilet facilities were not installed. The toilet facilities would help decrease usage of honey buckets and privies, which are susceptible to causing sanitary hazards. The DEC cost estimates for one (1) humid toilet is approximately \$1,500. This appropriation would enable the community to purchase two (2) humid toilets at a cost of \$3,100 which includes shipping and handling costs.

(33) Savoonga -- Water and Sewer System Upgrade \$431,400

Savoonga's population has increased to well over 500 residents and because of this increase the community has a desperate need for a sanitation facility that is adequate to fill the needs of the community. DEC has helped the community with locating a suitable land fill site and is also assisting with technical problems. However, the community is still in need of a safe sanitary facility. If funding is approved, the community could then purchase the necessary materials, such as fiberglass water tanks, fiberglass sewage tanks, complete installation materials, lumber and garbage truck, sewage truck and water haul truck, a 30 x 30 utility building and construction of a gravel pad for the building. The city has been working with a contractor and the total cost for these raw materials is \$431,400.

(34) Shaktokik -- Garbage Truck \$50,000

Winter refuse and trash are now dumped on the ice. In the summer, trash is either burned or villagers use a fenced land fill. Shaktokik does not have a garbage haul vehicle. If funding is approved, it would allow the community to purchase this vehicle. By having a garbage truck, it would allow the community to improve its present garbage disposal system.

- (35) Shaktoolik -- Water Line to Clinic \$100,000

PHS built a centered washeteria/watering point for the City of Shaktoolik in 1977. Water is pumped three miles from the Tagoonmanik River to the pumphouse, where it is chlorinated and flouridated. Water is stored in a 794,000 gallon steel storage tank from which residents have their water during the winter. In summer, a distribution system operates, using 5,000 feet of two (2) inch pipe and 1,500 feet of one (1) inch pipe. The washeteria includes showers, washers and dryers. A wood frame single-story village health clinic was constructed in 1972 by PHS. The clinic is open five days a week and is staffed by one full-time health aide and one alternate health aide. The clinic presently hauls water from the central watering point. The washeteria/watering point and clinic facilities are across the street opposite each other. The requested appropriation funds would allow the city to hook-up a water line to connect the two (2) facilities.

- (36) Shishmaref -- Water System Project \$750,000

A tundra pond serves as the water source and an 800 foot line transmits the water into a pumphouse where filtration occurs prior to storage in a 300,000 gallon tank. The quantity and quality of water is inadequate. Most residents use ice for drinking. The existing system does not meet the needs of the community and the high school. Residents object to the location of the pond source adjacent to the cemetery and, consequently, do not drink the water. This is reflected in the fact that the store sells approximately 1000 cases of soft drinks every two weeks. The community has already had a feasibility study and is in need of additional funds to start construction of a facility. DEC and Norton Sound Health Corporation have placed Shishmaref as the highest priority on their lists of needed projects.

- (37) Shishmaref -- Water Truck \$93,700

The community is making a sincere effort to improve their water delivery system. If funding is approved, the community could then purchase the very necessary water truck.

- (38) Teller -- Garbage Truck \$90,000

In winter, refuse and trash are now dumped on the ice, and during the summer it is burned near the beach. The community does not have a garbage haul vehicle. This funding will enable the community to purchase a garbage haul vehicle to assist them in cleaning up the community.

(39) Wales -- Water and Sewage Trucks \$150,000

Presently, the City of Wales is without adequate water and sewage haul vehicles. The community is making an effort to improve their water delivery system/solid waste/honey bucket collection and disposal system. If funding is approved the community could then purchase the vehicles to assist them in this effort.

(40) Kaktovik -- Water Storage Tank \$1,200,000

The City of Kaktovik has a 600,000 gallon water storage tank. In 1979, the tank settled which caused a rip, draining half the water. The rip was repaired by welding, but this weld will not last indefinitely. It could break at any time. Although the water drained slowly during the incident in 1979, the weakened tank could burst this time, and flood the immediate area. It is a potentially dangerous situation which the community would like to alleviate. Since the community also needs additional water storage capacity, funds are requested to build a new 1,000,000 gallon tank.

## Section 5.

The sum of \$1,847,100 is appropriated from the general fund to the Department of Community and Regional Affairs for payment as grants to the following communities for the following water, sewer, and solid waste facility projects:

(1) Metlakatla - water lines, sewer lines, sewer treatment plant, chlorination plant, \$650,000

-- Metlakatla's number one priority is the improvement of the water and sewer system. Growth of the community, plus age of the existing water and sewer system are the primary reasons for upgrading and expanding the system. Growth and expansion of the community has outgrown the present storm drain system, which consists of wood stave pipe. Many areas within the community, including sections of the streets, will flood out during periods of heavy rains. Storm drains were not installed when new roads were being constructed (subtotal = \$350,000).

New housing and mobile homes have recently been constructed in Metlakatla, however water and sewer service lines were not installed to serve these homes because of lack of funds (subtotal = \$72,000).

The sewer treatment plant must be expanded to meet community demands adequately, extra motors for aerators, among other treatment equipment, needs to be purchased. Sewer treatment expansion plans would also include flushing and cleaning, (subtotal = \$63,000).

The following items need to be purchased and installed to meet the EPA pollution discharge permit standards to treat raw sewage before it is discharged; chlorine contact chamber with a sanuri chlorinator, treatment plant laboratory kit, whispair max blower, 1000' air aquatubing, lift pumps and clear all growth of alder from inside of fence at sewage plant (subtotal = \$25,000).

Purchase of a new gas chlorinator, with component parts and accessories including installment labor costs, is needed to upgrade water and sewer facility (subtotal = \$10,000).

The main water line and main water trestle needs general rehabilitation, and replacement of sections of pipe are required (subtotal = \$130,000).

In summary, Metlakatla needs improvement of the storm drainage system, expansion to trailer courts, repair and renovation of sewer treatment plant, installation of chlorinator, renovation and repair of trestle and main water system.

(2) Copper River for Silver Springs - community well - \$32,100

The Copper River Basin has approximately 3,500 residents, homes are scattered for miles along the highway which would make a conventional piped water and sewer system unfinanceable and difficult to operate and maintain. Copper Center Volunteer Fire Department presently must travel seventeen (17) miles to Glennallen to obtain water. Twenty Seven (27) homes were provided with individual wells by PHS in 1969, however 20 of these wells are unused because of poor water quality. In 1981, DEC report that estimated 75% of residents were without adequate water supply. A well located in the Silver Springs area would best serve the needs of the residents of Copper Center and surrounding areas. Silver Springs is located at Mile 105 on the Richardson Highway, which is 3 1/2 miles from the community of Copper Center. The Copper Center Elementary School is located at Silver Springs, and is a primary concern of area residents that the well be located at Silver Springs, in case of fire within the vicinity. In addition to the well, a pump and well housing are necessary.

(3) Takotna - individual wells, \$100,000

The village of Takotna has long requested a water delivery system for the residents of its community. This is a high priority for the village of Takotna and required for safe water. \$100,000 will be appropriated to the DC&IA for the village of Takotna to install a safe, feasible water delivery system in the village.

(4) Takotna - sewer feasibility study, \$25,000

The residents of Takotna would like a sewer system. Currently, they are using pit privies as their method of sewage disposal. This feasibility study is needed to examine the other alternatives for sewage disposal that are economically feasible.

(5) Dot Lake - water system repair, \$150,000

The village of Dot Lake is served by a central water facility which heats the homes and supplies fresh water to the villagers. The system has been in use for eleven years and has proven to be effective and a definite benefit to the village. However, it is in need of extensive repairs. The funds are for insulating and reburying the pipe system, installation of fire hydrants and for making access to the system easier.

(6) Chalkyitsik - water and sewer system, \$250,000

Residents currently haul water from Black River in the winter, and Oxbow Slough in the summer. The river has an unsafe bacteria count. There is indiscriminate dumping of sewage, and solid waste is dumped into the river, and put on

the ice in the winter. These funds would allow construction of a badly needed water and sewer system.

(7) Evansville - well repair, \$100,000

Water is hauled from the Koyukuk River. The water is untreated and the hauling distance is a problem for the villagers. Five (5) FAA wells are also used as water sources. The funds requested here would provide for a central watering point and community wells.

(8) Rampart - safe water development, \$230,000

The community presently utilizes the following water sources: Yukon River, creeks approximately 2.5 miles from town, rainwater and ice. None of these sources are treated. One of the communities highest priorities is having a safe source of drinking water. These funds will provide for the development of a safe water source.

(9) Stevens Village - safe water development, \$250,000

Currently the residents of Stevens Village haul water from 5 miles away in the summer and in the winter they haul ice. There is no treatment of this water. The community would like a source of water nearer to the community.

(10) Beaver - solid waste facility, \$40,000

Currently, garbage is dumped indiscriminately. The funds would provide for the development of a landfill site, with fencing enclosure.

(11) Alatna - solid waste facility, \$10,000

Garbage is currently dumped indiscriminately along the Koyukuk River. These funds would provide for the development of a solid waste facility.

(12) Northway - solid waste facility, \$100,000

There is currently an uncontrolled dumpsite on the upper Tanana River, near the village. There is some scattered dumping. A partially controlled dumpsite is located one (1) mile from the community. These funds are needed to develop a solid waste facility to control indiscriminate dumping. The community received \$32,000 in HB 334 last year, for a solid waste disposal. Funds are needed to complete the project.

(6) The sum of \$534,000 is appropriated from the general fund for payments as grants to the following municipalities for solid waste facilities:

(a) Akutan . 60,000.

Trash and refuse dumped in a gravel spit, with trash burned and ashes dumped into the bay. A floating crab processor dumps all waste off the edge of the dock into Akutan Bay, or on the beach. An area for dumping refuse or a system for collection has never been developed. Until the processors came into the Bay, the problem was relatively minor, but with the tremendous influx of people and the increase in waste material, it has become an urgent problem that needs to be addressed. Possible solutions to the problem include compaction and incineration and then barging the reduced garbage to a site out of town. Part of this appropriation will be for design and engineering.

(b) Platinum 40,000

Uncontrolled dump near mine site. Needs dumpsite badly.

(c) Koyukuk 22,000

Indiscriminate dumping in village, dump site also used.

(d) Huslia 22,000

Fenced land fill outside village, with access by road. Appropriation as a municipal grant to the City of Huslia to to construct a solid waste disposal site.

(e) Kiana-dump fencing  
30,000

Fenced dump one (1) mile out near runway, currently next to gravel pit. Location is inconvenient because roads contain hazardous material injurious to residents and possible damage to equipment. New dump site needed.

(f) Shungnak-dump fencing  
30,000

Fenced dump site one (1) mile from town near runway. Summer access to uncontrolled site is difficult. Disposal area not fenced.

(g) Kotlik 50,000

Indiscriminate dumping along river bank, trash noted as burned in 55 gallon drums. Kotlik has a severe health problem due in part to the landfill. The present landfill site is inadequate, trash is floating in the river and creating a health hazard to the residents. If funding is approved, the community could begin construction of a new landfill site.

(h) Teller-landfill relocation  
100,000

Teller does not have a centralized dumpsite. The refuse is indiscriminately dumped around the village. It appears that some of the potable water sources have been polluted with sewage wastes. Some animal carcasses are also occasionally present along the beach and near water sources. A new site has been located and if funding is approved the community would be able to construct a landfill site and to clean-up the old sites.

(i) Kodiak Island Borough-Karluk facility  
120,000

The existing sanitary landfill is too small and needs to be relocated. The Kodiak Area Native Association estimates a facility 3 times as large is needed, and Public Health Service representatives also say the Karluk dump is a priority project which needs immediate attention. Kodiak Island Borough is willing to administer the project and apply for additional funding from DEC. The project includes engineering and design and access road construction.

(j) Kodiak Island Borough-Old Harbor facility  
60,000

The dump for Old Harbor is located near the old village right next to the road. Bears are attracted to the dump and create a dangerous situation for people walking or bicycling on the road. The dump needs to be relocated further from town. It's not anticipated that an access road will need to be built, but basic design and engineering is necessary.



# Alaska State Legislature

## SENATE Resources Committee

POUCH V  
STATE CAPITOL  
JUNEAU, ALASKA 99811  
(907) 465-3834  
(907) 465-3835

### Official Business

BETTYE FAHRENKAMP, Chairman  
VIC FISCHER, Vice-Chairman  
BRAD BRADLEY  
DICK ELIASON  
DON GILMAN  
BOB MULCAHY  
ARLISS STURGULEWSKI

### MEMBERS PRESENT

Senator Fahrenkamp  
Senator Fischer  
Senator Eliason  
Senator Gilman  
Senator Mulcahy  
Senator Sturgulewski

April 26, 1982  
1:35 p.m.

Beltz Room  
Capitol - Room 211

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### Hearing:

- HB 668 Providing the division of fish and wildlife protection, Department of Public Safety, access to confidential reports and records of the Department of Fish and Game related to commercial fishing.
- CSHB 811 Providing preferences for occupants of land under a United States Forest Service timber contract.
- SB 889 Providing for the issuance of general obligation bonds in the amount of \$121,000,000 for the purpose of paying the cost of construction of and improvements to water, sewer, and solid waste facilities.

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### CSHB 811

Dennis Kuntz, Thorne Bay, explained that Thorne Bay is a logging community of 400 people located 45 miles northwest of Ketchikan. Established by Louisiana-Pacific, it is about to be abandoned due to economic conditions, and under the terms of LP's contract with the U.S. Forest Service, within 60 days. Kuntz urged speedy passage of the bill, so the residents will not be forced to leave their homes.

Representative Freeman, co-sponsor, expressed support for CSHB 811.

Sharon Barton, Special Assistant to the Commissioner, Department of Natural Resources, expressed support for the bill, stating that it parallels the Forest Service preference right legislation currently on the books. The fiscal note is zero, as concerned parties have agreed to pay for the survey costs, along with nominal administration costs for handling the conveyance.

Senator Mulcahy moved CSHB 811 with individual recommendations.

HB 668

Representative Sutcliffe, sponsor, stated his support for HB 668 and his opposition to CSHB 668. HB 668 gives the Department of Public Safety access to fish ticket information, and the Committee Substitute limits the amount of information that would be made available to the Department. Sutcliffe pointed out that any misuse by the Department of information on the fish ticket would result in harsh penalties to the arrested officer. He also stated that limiting the amount of available information would prevent the protection officers from doing a complete job.

Senator Eliason stated that the bill had been heard in subcommittee, and the members were under the impression that all the information the protection officer needed was contained on the limited entry cards. They thought the Department supported the Committee Substitute, until a phone call five days ago. Eliason expressed concern over rights of privacy, and disapproval of the trend to open up private information to government agencies whether or not they need it.

Senator Eliason asked unanimous consent for adoption of the Committee Substitute. He then moved CSHB 668 with individual recommendations.

SB 889

Ernie Mueller, Commissioner, Department of Environmental Conservation, supports the concept of requiring a feasibility study before any obligation is made, and suggested addition of a section allowing the Department flexibility to transfer funds among projects. He explained that many of the projects listed in SB 889 may expect to get matching funds from the Department, but the DEC construction grant program currently has no funds in it.

Senator Gilman expressed concern over how the funds would actually be distributed, and stated that perhaps enabling legislation was needed to set up the fund.

Ginny Chitwood, Alaska Municipal League, urged that SB 889 be amended to include an appropriation for the water supply, sewerage, and solid waste facility fund. In this program, the state and municipality each pay 50% of the non-federal costs of eligible projects. Many communities that are willing to put up a local share would be eliminated in SB 889, because the existing fund is out of money. She further urged the passage of HB 304 or SB 252, which increase the state share of projects to 75%, as a compromise between the 100% funding in SB 889 and the current 50% match program.

Senator Sturgulewski stated her support for inclusion of the Village Safe Water Program and the water supply, sewerage, and solid waste facility fund in SB 889.

Senator Fahrenkamp stated that SB 889 would be held over for further work.

The meeting was adjourned at 2:45 p.m.



# Alaska State Legislature

## SENATE Resources Committee

POUCH V  
STATE CAPITOL  
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### Official Business

BETTYE FAHRENKAMP, Chairman  
VIC FISCHER, Vice-Chairman  
BRAD BRADLEY  
DICK ELIASON  
DON GILMAN  
BOB MULCAHY  
ARLISS STURGULEWSKI

### MEMORANDUM

TO: Judy Johnston  
Senate Finance Committee Staff

FROM: Tom Johnson  
Senate Resources Committee Staff

DATE: April 30, 1982

RE: Background information on SB 889

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Since SB 889 passed over to the Finance Committee yesterday, I thought you might like to have the attached materials from our files on the bill.

A "Staff Work Draft" committee substitute correcting some drafting errors in the bill is included.

LEGISLATION SUMMARY

- SB 889: "An Act providing for the issuance of general obligation bonds in the amount of \$121,000,000 for the purpose of paying the cost of construction of and improvements to water, sewer, and solid waste facilities; and providing for an effective date."
- Sec. 1: Authorizes the issuance and sale of general obligation bonds in the principal amount of not more than \$121,000,000, for construction of and improvements to water, sewer and solid waste facilities, under the provisions of the State Bonding Act.
- Sec. 2: Authorizes the establishment of the "1982 Water, Sewer, and Solid Waste Facilities Fund", subsequent to and conditional upon approval of the bond issue by state voters. The Fund will be credited the proceeds from the bond sale, excepting for accrued interest and premiums.
- Sec. 3: Appropriates \$920,000 from the Fund to the Department of Environmental Conservation for water and sewer feasibility studies in 11 specified communities.
- Sec. 4: Appropriates \$1,715,000 from the Fund to the Department for water and/or sewer projects in 8 specified communities.
- Sec. 5: Appropriates \$70,000 from the Fund to the Department for solid waste disposal sites in 4 specified communities.
- Sec. 6: Appropriates \$115,756,000 from the Fund to the Department of Community and Regional Affairs for water and/or sewer projects in 43 specified communities.\*
- Sec. 7: Appropriates \$855,000 from the Fund to the Department of Community and Regional Affairs for water and/or sewer projects in 4 specified communities.\*\*
- Sec. 8: Appropriates \$1,684,000 from the Fund for solid waste facilities in 13 specified communities.\*\*\*
- Sec. 9: Appropriates up to \$423,500 from the general fund to the state bond committee for incidental expenses for the sale and issuance of the bonds. The amounts expended shall be reimbursed to the general fund from the proceeds of the bond sale.
- Sec. 10: Amounts withdrawn from the public facility planning fund for advanced planning for improvements under this Act shall be reimbursed to the planning fund from the bond sale proceeds.

Sec. 11: Requires that a proposition to approve or disapprove the bond sale in its total amount shall be submitted to state voters at the next general election.

Sec. 12: Immediate effective date.

\*The opening sentence of sec. 6 specifies only sewer and water projects; however, three of the listed projects are related to solid waste projects (items 29, 35 & 43).

\*\*The opening sentence of sec. 7 specifies only water, sewer and solid waste projects; however, item 6 is a water system feasibility study. Sec. 3 refers directly to water feasibility studies.

\*\*\*Sec. 8 does not appropriate the funds to any specific agency for their administration in carrying out projects in the specified communities.

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PRIME SPONSOR: Finance

BETTYE:

4/28/82

WEDNESDAY

YOU SAID THAT YOU WERE GOING TO WAIVE REFERRAL OF THE  
G.O. BOND BILL ON WATER AND SEWERS - SB 889 --- ATTACHED IS  
THE INFORMATION PROVIDED BY RON LEHR'S OFFICE THAT YOU REQUESTED  
FROM HIM AND THE OTHER BACKGROUND INFORMATION.

1982 G.O. Bond Projects

— Water and Sewer —

11:45 pm  
4/26/82  
From  
Budgeting

<u>Project</u>	<u>(\$000)</u>
Village Safe Water Facilities	\$ 5,000.0
Water, Sewer, and Solid Waste	\$30,000.0
Facilities Construction Grants	<u>\$35,000.0</u>

# Alaska State Legislature

BETTYE FAHRENKAMP, CHAIRMAN  
VIC FISCHER, VICE-CHAIRMAN  
BRAD BRADLEY  
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POUCH V  
STATE CAPITOL  
JUNEAU, ALASKA 99811  
(907) 465-3834  
(907) 465-3835

Senate

Committee on Resources

## MEMORANDUM

TO: Senator Fahrenkamp, Chairman  
Senate Resources Committee

FROM: Senate Resources Committee Staff

DATE: April 24 1982

RE: Proposed Resources Committee Substitute for SB 889--providing for the issuance and sale of \$121,000,000 in g.o. bonds for water, sewer and solid waste facilities.

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In reviewing SB 889 (Finance), preparatory to Monday's hearing on the bill, several drafting errors were discovered. The Committee Substitute is intended to correct those errors, as follows:

Secs. 6 & 7 appropriates funds to the Department of Community and Regional Affairs, for their administration. In checking with Senate Finance Committee staff, we were referred to Mike Scott, of Senator Ferguson's office. Senators Ferguson and Sackett were involved in drafting the bill. Mike informed us that the inclusion of the Department of Community and Regional Affairs as an administering agency was in error, and that the administering agency should properly be the Department of Environmental Conservation throughout the bill. In telephone conversations, Richard Aks (DC&RA) and Keith Kelton (DEC) confirmed this.

Sec. 8 does not specify any agency to administer the funds.

Sec. 6 relates only to water and sewer projects; however, items 29, 35 & 43 are solid waste projects.

Sec. 7 relates to water, sewer and solid waste projects; however, item 4 is a water system feasibility study, and should have properly been listed under sec. 3 of SB 889, which relates to feasibility studies.

The proposed Committee Substitute includes the Department of Environmental Conservation as the administering agency throughout, combines items under various sections in appropriate new sections, and moves items improperly listed under various sections to the appropriate new sections.




# Alaska State Legislature

## Senate

Official Business

Pouch V  
State Capitol  
Juneau, Alaska 99811

To: Senator Fahrenkamp  
From: Senator Ferguson   
Re: Senate Bill 889

Date: April 26, 1982

Senate Bill 889 is in need of technical amendments to clear up inappropriate departmental designations and and project misplacements.

The designation of the Department of Community and Regional Affairs in sections six and seven actually should read the Department of Environmental Conservation.

Section eight is without a departmental designation and should read the Department of Environmental Conservation.

Since each of the above sections now reads the Department fo Environmental Conservation, sections six, seven and eight could be combined with the appropriate projects in sections three, four and five.

The remaining sections should be renumbered accordingly.

Your staff has identified individual projects that originally were under the wrong sections and have placed each in the appropriate section.

Thank you for your consideration in correcting these drafting errors.

HOUSE COMMUNITY & REGIONAL AFFAIRS  
STANDING COMMITTEE

March 3, 1982

8:30 a.m.

Members Present: Rep. O'Connell  
Rep. Bylsma  
Rep. Clocksin  
Rep. Grussendorf

Members Absent: Rep. Anderson

COMMITTEE CALENDAR

SSHB 723

SSHB 724

HB 840

10: SB 889

"An Act making special appropriations for water and sewer systems, waste disposal facilities ..."

WITNESS REGISTER

Greg Capito  
Village Safe Water  
DEC

Hospital Drive

Juneau, Ak 99811

Position Statement: provided information on various village projects

Richard Aks  
Deputy Commissioner  
C&RA

Juneau, Alaska 99811

Position Statement: provided information on various village projects

Dan Rodness  
Public Health Service  
Anchorage, Alaska

Position Statement: provided information on various village projects

PREVIOUS ACTION

SSHB 723 2/17/82 and 3/1/82 Committee Meeting

SSHB 724 2/17/82 and 3/1/82 Committee Meeting

889

HB 840

2/26/82 Committee Meeting

ACTION NARRATIVE

Tape #6  
Recording  
Number 0095

Chairman Pat O'Connell called the meeting to order at 8:35 a.m. Committee members present were: Representatives Bylsma, Clocksin, Grukssendorf. The Chairman addressed SSHB 723 and 724 first by asking for any questions or comments.

Number 0138

Rep Clocksin expressed his views on the question of sovereign immunity. He is putting together a proposal with the assumption he will have the opportunity to have it brought up in this committee. He feels the State's position on sovereign immunity should be changed, and he's putting together some ideas but not on HB 723 and 724.

Number 0173

Rep. Bylsma made a motion to move HB 723 out of committee. The Committee was reminded it is dealing with a sponsor substitute.

Number 0180

Rep. Bylsma withdrew his motion and made a motion to move SSHB 723.

Number 0218

After brief discussion the vote carried unanimously to move the bill. Brief discussion pointing out the difference between the original bill and the sponsor substitute if it's extended to incorporated communities.

Number 0252

Rep. Bylsma made a motion to move SSHB 724 out of committee.

Number 0265

Rep. O'Connell called the question. The vote to move the bill carried unanimously.

Number 0273

Chairman Pat O'Connell pointed out to the Committee the materials in their "HB 840" folders responded to questions asked during their last discussion. Compares last year's HB 334 appropriations to this year's appropriations. Asked for testimony.

Number 0307

Richard Aks, Deputy Commissioner, Dept. of C&RA, General Comments - Our line agency people feel that in many respects many of these projects have not had sufficient

planning, scoping or sufficient thought given as to how these projects are to be operated and maintained. That's not to say they are not needed. Probably have several years of bills to complete the projects. Also concerned about the grant mechanism used, and what resources are available to the departments to provide technical assistance and monitoring to ensure the projects are getting completed. There's 3 or 4 different mechanisms used to getting the money out. Some involve direct grants, some involve the departments getting actively involved in building the facility. We're concerned that the resources are not there, particularly in the small communities, to monitor the grants like this and ensure the project gets built. Then they come to C&RA for assistance and we're not water/sewer experts; we're general planning, local government assistance. Concerned about future legislation. Understand the desire of the legislators to make sure projects get completed in their area.

Preferably would like to have some kind of bulk sum to be appropriated to the appropriate Dept. and give them projects to be done. Let them do the appropriate amount of planning and scoping and assurance of operating and maintaining expenses.

Concerned about unincorporated grants. Try to deal with municipalities; unincorporated communities are new. The expertise and structure is not there to implement grants like that. Concerned that the project may or may not get done; if it does get done, is it the right project.

Cannot offer specific comments on projects unless have on site visits; there's no way to determine what's needed.

Brief questioning and comments were made as more specifics were asked than could be answered at this time. A brief teleconference followed with Mr. Dan Rodness, Public Health Service, Anchorage.

Number 0471

Chairman O'Connell introduced the committee members present to Mr. Rodness and requested he give some general background for how they

do their planning and coordinating, basic projects and how they're funded.

Number 0488

Dan Rodness briefly explained that for the past several years his program has been tied very closely to the HUD Indian Housing Program and as a result the water and sewer projects in the villages have been in those villages that are receiving new housing. They try to serve the new houses and existing houses already in town. As a result, over the last 20 years work has been done in many of the villages in this bill.

Number 0503

Rep. Clocksin asked in general, if there is any duplications with the projects that the Public Health Service has underway or funded at this time or is planning on have funded?

Number 0507

Mr. Rodness acknowledged there were a few but because of the description of the work involved it's hard to tell what they had in mind. He again said that his program's money goes into support of the new housing and in some cases if they have existing water and sewer system their funds would only be to expend the water system to serve the new housing areas. There may be a need in town somewhere that they haven't addressed, but can't tell by the brief descriptions. For example: Sec.1, Part 2(G) Noatak - They are in the process of working there now, but not sure what that money would be for, in addition to the work they're doing.

Number 0531

Rep. Clocksin asked what they are doing in Noatak and do they have an existing water and sewer system.

Number 0532

Mr. Rodness said they're extending the existing water/sewer system to serve the new housing area, and minor upgrading of the system there.

Number 0536

Rep. Clocksin asked Mr. Rodness if he could identify possible other duplications?

Number 0537

Mr. Rodness provided the following information:

Section 1 Item 3 RE: Money for landfills, recently completed a project in Clark's Point. As a result of that project, left

fencing material and piece of equipment to be used for landfill. Since no site had been selected, the materials were left with

the village to construct landfill for when they selected a site.

Section 3 (4) Elim. They have complete water and sewer. They're working in there now in conjunction with the new housing project. They're completely replacing their sewage treatment facility. The only possible additional work that may be needed in the future is the water source becomes marginal in the winter time although to the best of knowledge have not run out; they've not run out but have run low a few times but not sure what money for a feasibility study would be for in that case.

Section 4 (12) Fort Lions - working there now in conjunction with new housing project; upgrading both water and sewage systems and extending them to some new housing areas. There are some existing homes in different parts of town that are not being served. If that is what this money is for it could probably be well used there.

Section 4 #20 Huslia - working there on a cooperative project with the Village Safe Water People on expending existing water/sewer systems to serve houses that have been built since the system was built some years ago. Because of the nature of the VSW funding and the nature of our program we cannot provide the plumbing for those houses. If that's what the money is for, it would probal'y earn well for that project.

Section 4 #25 Kiana - This summer will be working with new housing project. Kiana has trouble with new sewage treatment plant which is what the bill says this money is for. We have some tentative plans to renovate that plant. If this money were available for renovation of that plant, our funds could be used to fix up the water system which recently partially froze.

Section 4 #26 Shungnak - Working in conjunction with new housing project. Not aware of need for sewer line and unsure of

cost within a subdivision. We pay for outside the boundary of a subdivision. Basically, the housing authority funds pay all cost to water and sewer within the subdivision. PHS money is to extend systems to subdivision boundary any needed overall repairs on the water supply part of the system or the sewage disposal part of the system.

Number 0664

Rep. Clocksin asked if PHS had any more potential duplications with projects listed in the bill.

Number 0666

Mr. Rodness added that in Shungnak, Section 6(6) PHS has financing for the landfill included in their current project. PHS will be working there this summer on extending the water and sewer system to new houses.

Number 0681

Rep. Clocksin: In general, is the policy of your agency for providing operating funds for some of your projects or do you provide any operating funds? Have you experienced difficulty in villages in actually operating these facilities once they're completed?

Number 0686

Mr. Rodness: Our program was set up in 1959 by Congress; the plan to design and to build a system and some very general wording on making arrangements for operating and maintaining that statement over the years has been interpreted to say, our funds can't be used directly for operation and maintenance. As a result the facility constructed has the ownership transferred to the village. They are responsible for operation and maintenance. PHS has developed a fairly detailed technical assistance program for the villages. Through the use of maintenance specialists. It's been quite successful in regard to that end of the program. In regards to the financial end of the program and how well the village does with operation and maintenance, that varies from village to village.

Number 0703

Rep. Clocksin: Read description of work to be done in Shungnak and wondered if it was still a possible duplication.

Number 0714

Mr. Rodness: not aware of a problem to sewer line; normally a village doesn't hesitate to

call if they have a problem. PHS has what is called "special funds" for emergencies, but cannot use regular funds on something of that nature unless already in the village.

Number 0732

Rep. Clocksin: Read description of work to be done i Noatak and Huslia.

Number 0745

Mr. Rodness: There was damage to the existing system when a contractor drilled through the water line. PHS is using money to get that loop back into operation. The 2nd part - Huslia - when new houses are built by Housing Authority plumbing provided as part of service. Huslia is not plumbed because those are relatively new houses built by individuals after existing system.

Number 0780

Signed off Teleconference

Number 0804

Meeting adjourned.

LEGISLATION SUMMARY

CSSB 889 (Res): "An Act providing for the issuance of general obligation bonds in the amount of \$121,000,000 for the purpose of paying the cost of construction of and improvements to water, sewer, and solid waste facilities; and providing for an effective date."

- Sec. 1: Authorizes the issuance and sale of general obligation bonds in the principal amount of not more than \$121,000,000, for construction of and improvements to water, sewer and solid waste facilities, under the provisions of the State Bonding Act.
- Sec. 2: Authorizes the establishment of the "1982 Water, Sewer, and Solid Waste Facilities Fund", subsequent to and conditional upon approval of the bond issue by state voters. Requires that the proceeds on the bond sale, excepting accrued interest and premiums, be credited to the Fund.
- Sec. 3: Appropriates \$945,000 from the Fund to the Department of Environmental Conservation for water and sewer feasibility studies in 12 specified communities.
- Sec. 4: Appropriates \$114,897,000 from the fund to the Department for water and/or sewer projects in 51 specified communities.
- Sec. 5: Appropriates \$70,000 from the Fund to the Department for solid waste disposal sites in 4 specified communities.
- Sec. 6: Appropriates \$5,008,000 from the Fund to the Department for solid waste facilities in 16 specified communities.
- Sec. 7: Appropriates up to \$423,500 from the general fund to the state bond committee for incidental expenses for the sale and issuance of the bonds. Requires that the amounts expended be reimbursed to the general fund from the bond sale proceeds.
- Sec. 8: Requires that amounts withdrawn from the public facility planning fund for advanced planning for improvements under this Act be reimbursed to the planning fund from the bond sale proceeds.
- Sec. 9: Requires that a proposition to approve or disapprove the bond sale in its total amount be submitted to state voters at the next general election.
- Sec. 10: Immediate effective date.

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COMMITTEE REPORT  
SENATE

5/6/82

FURTHER: Finance

Date: 5/11/82

Mr. President:

The Committee on RESOURCES has had SB 896  
Susitna River hydroelectric project

under consideration and (a majority of the committee) (~~the committee~~) reports it back with the following recommendations:

- do pass [ ] do not pass
- [ ] do pass with attached amendments(s)
- replace with CS for SB 896 [ ] same title [ ] new title
- and recommends \_\_\_\_\_
- [ ] AND attaches a "Letter of Intent" [ ] New Fiscal Note
- [ ] reports it back without recommendation
- [ ] referred to the \_\_\_\_\_ Committee

MEMBERS SIGNING  
DO PASS

Bill Mulcahy  
Nelson  
W. J. ...  
...  
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MEMBERS HAVING  
OTHER RECOMMENDATIONS:

\_\_\_\_\_  
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Bill Mulcahy  
 CHAIRMAN

**TO: Senate Resources Committee**  
**FROM: Senate Resources Committee Staff**  
**RE: Wednesday Committee Meeting, 5/12/82**  
**DATE: May 10, 1982**

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Please find attached background information for Wednesday's hearing on the following bill:

SB 896      Relating to the Susitna River  
hydroelectric project.

The meeting will be held at 1:30 p.m. in the Beltz Room.

Billy Berrier/Lynn Asper - DeGal Services

Attached is a ~~map~~ of SB 896. I would appreciate a FINAL committee substitute being written deleting Section 3. If you have any questions please contact Resa King at 465-3834. When the Bill is completed please return to Room 211 Capitol building.

Bettye Fahrenkamp, ~~Chairman~~ 5/13/82

Senate Resources Committee

IDENTIFICATION:

BILL NAME: "An Act relating to the Susitna River hydroelectric project;  
and providing for an effective date."

SPONSOR(S): Resources

RELATED BILLS PENDING:

DATE INTRODUCED: 5/6/82

REFERRALS Resources  
Finance

INITIAL RESEARCH:

INITIAL BILL SUMMARY COMPLETED \*yes\*

SUMMARY BY LEGAL DIVISION:  
DEPT. OF LAW SUMMARY:

SPONSOR CONTACTED FOR BACKUP  
MATERIALS:

FISCAL NOTE:

AGENCY RESPONSE:

OTHER INTERESTED SENATORS OR  
REPS. NOTIFIED:

BACKGROUND RESEARCH:

SIMILAR BILLS INTRODUCED IN PREVIOUS LEGISLATURES:

RESPONSES FROM INTERESTED PERSONS AND/OR GROUPS:

OTHER STATE OR FEDERAL PRECEDENT, REGULATIONS, LAWS:

HEARING PREPARATION:

CHAIRMAN BRIEFED:

DATE AND PLACE SET: 5/10

STAFF MEMO TO COMMITTEE:

TELECONFERENCE

BACKGROUND MATERIAL DISTRIBUTED

PSA/PRESS RELEASE

LIST OF WITNESSES:

SUGGESTED AMENDMENTS/CS DRAFTED

Eric Yould, AFA 5-7-82 277-7641 5/10 ✓ *Bad Meeting*  
Kent Dzinech 5-7-82 5-10 ✓ *Bad Meeting*  
Dave Hitchens, ARECA 5/10 ✓ ✓  
Ron Vassar - A.G. 3600 5/10 ✓ ✓

pending projects of the Alaska Power Authority, see editor's note to AS 44.83.177.

**Sec. 44.83.185. Submission to the legislature.** (a) The authority shall submit a feasibility study and plan of finance for a proposed new project to the legislature. When the report of the division of budget and management examining the feasibility study and plan of finance is completed as required by AS 44.83.183, it shall be submitted to the legislature.

(b) The authority may not proceed with work on the engineering or design phase of a proposed new project for which legislative approval is required until the legislature approves the proposed new project. However, the authority may proceed with the engineering or design work necessary to meet the requirements for submission of a license application for the proposed new project to the Federal Energy Regulatory Commission without obtaining legislative approval of the proposed new project.

(c) The legislature shall consider and must approve all proposed new projects except proposed new projects that are exempt under AS 44.83.187. The legislature may approve a proposed new project only by enacting law authorizing that project. (§ 24 ch 83 SLA 1980)

**Cross reference.** — As to application of this section to current projects of the Alaska Power Authority and exemption from the provisions of this section of pending projects of the Alaska Power Authority, see editor's note to AS 44.83.177.

**Sec. 44.83.187. Applicability of sections.** (a) The provisions of AS 44.83.177 — 44.83.185 and 44.83.189 apply only to a proposed new project which will generate more than 1.5 megawatts of power and

(1) requires an appropriation from the state general fund, from the power project fund, or from the renewable resources funds; or

(2) is based on a plan of finance which requires the issuance of general obligation bonds or other pledge of the credit of the state.

(b) The provisions of AS 44.83.177 — 44.83.185 and 44.83.189 apply to a project which generates more than 25 megawatts of power for which the authority will issue its revenue bonds for costs of construction.

(c) The provisions of AS 44.83.177 — 44.83.183 do not apply when a reconnaissance study and a feasibility study for a proposed new project have been prepared by an agency of the federal government, if the authority determines that the reconnaissance study and the feasibility study prepared by the agency of the federal government provide information sufficient to permit the authority to finance and construct the proposed new project in accordance with the requirements of this chapter. When a reconnaissance study and feasibility study are prepared for a proposed new project by an agency of the federal govern-

ment and the authority for a proposed new project, the authority shall review the study and plan of finance for the proposed plan of finance for the Office of the Governor. The authority shall review the study and plan of finance for the receipt of the studies and management shall submit a report shall examine and comment upon compliance with the requirements under AS 44.83.185. The authority shall be exempt from the requirements of this subsection. The authority shall not be required to submit work for a project under AS 44.83.187 for engineering or design for the project to the first obtaining legislative approval.

(d) The provisions:

(1) an addition, acquisition or construction

(2) the construction of a facility which is estimated to cost more than \$1,000,000; am § 1 ch 16

**Effect of amendment.** — Amendment added "with a capacity of more than 1.5 megawatts of power" at the end of the introductory sentence of subsection (a), and subsection (b) "investment fund and exceeds (A) \$3,000,000 which legislative approval is required during 1981; (B) \$3,000,000 a factor equal to a rate of interest on the construction engineering news record of January of the year during which the construction cost estimate is submitted for legislative approval; the construction cost estimate shall be submitted to the construction cost engineering news record."

**Sec. 44.83.189.** designed, acquire, or construct for the purpose of the project. The project shall include

(1) an addition, acquisition or construction of the facility

ment and the authority proposes to finance and construct the proposed new project, the authority shall provide copies of the studies and a proposed plan of finance to the division of budget and management in the Office of the Governor. The division of budget and management shall review the studies and plan of finance. Within 60 days after its receipt of the studies and plan of finance, the division of budget and management shall submit a report to the governor and legislature. The report shall examine the feasibility study and plan of finance and comment upon compliance of the feasibility study and plan of finance with the requirements of AS 44.83.181. Approval of the legislature under AS 44.83.185 is required for a proposed new project which is exempt from the requirements of AS 44.83.177 — 44.83.183 under this subsection. The authority may not proceed with engineering or design work for a project until legislative approval of the project has been given under AS 44.83-185(c), except that the authority may undertake engineering or design work necessary to submit a license application for the project to the Federal Energy Regulatory Commission without first obtaining legislative approval of the project.

(d) The provisions of AS 44.83.177 — 44.83.185 do not apply to

- (1) an addition, modification, repair, reconstruction, design, acquisition or construction for the purpose of completing a project;
- (2) the construction of an electrical transmission or distribution facility which is estimated to cost less than \$3,000,000. (§ 24 ch 83 SLA 1980; am § 1 ch 169 SLA 1980)

*Effect of amendment.* — The 1980 amendment added "will generate more than 1.5 megawatts of power and" at the end of the introductory paragraph of subsection (a), and substituted "funds" for "investment fund and the appropriation exceeds (A) \$3,000,000, for projects for which legislative approval is sought during 1981; (B) \$3,000,000 multiplied by a factor equal to a ratio determined by dividing the construction cost index of the engineering news record determined for January of the year during which a project is submitted for legislative approval, by the construction cost index of the engineering news record for March, 1980,

for projects for which legislative approval is sought after December 31, 1981" at the end of paragraph (1) of subsection (a).

*Editor's note.* — Section 3, ch. 169, SLA 1980 provides: "The projects authorized in sec. 48 of House CS for CS for Senate Bill No. 438 (Finance) am H, Eleventh Legislature, Second Session, are exempt from the amendments made in sec. 1 of this Act."

Section 4, ch. 169, SLA 1980 provides: "Section 1 of this Act takes effect on the day after House CS for CS for Senate Bill No. 438 (Finance) am H, Eleventh Legislature, Second Session, becomes law."

**Sec. 44.83.189. Project construction.** If a new project is to be designed, acquired and constructed by the authority, it shall be designed, acquired and constructed as a public work of the state. For the purpose of this section and AS 44.83.187 a new project does not include

- (1) an addition or modification to an existing project unless the total cost of the addition or modification exceeds \$1,000,000;

- (2) repair or reconstruction of a project; or
- (3) design, acquisition or construction necessary to complete a project for which bonds have been issued. (§ 24 ch 83 SLA 1980)

**Sec. 44.83.190. Annual audit.** The authority shall have its financial records audited annually by a certified public accountant. The legislative auditor may prescribe the form and content of the financial records of the authority and shall have access to these records at any time. (§ 1 ch 278 SLA 1976)

**Sec. 44.83.191. Limitations on issuance of bonds by the authority.** The authority may not issue bonds except after 60 days notification of its intent to issue bonds is given to the governor and to the legislature, if the legislature is in session, or to the Legislative Budget and Audit Committee, if the legislature is not in session. (§ 24 ch 83 SLA 1980)

**Sec. 44.83.195. Operation of projects.** (a) When a project is operated by the authority, the authority shall enter into one or more contracts for the sale of electrical power from the project. A contract entered into under this section shall meet all requirements of AS 44.83.090.

(b) If, at the expiration of a contract entered into by the authority under (a) of this section, revenues earned by the authority under the contract exceed expenses of the authority for the project, an amount equal to the excess shall be used by the authority to reduce rates or improve services to consumers served by the power project. (§ 24 ch 83 SLA 1980)

**Sec. 44.83.200. Annual report.** Before March 1 of each year, the authority shall submit to the governor and the legislature a comprehensive report describing operations, income and expenditures for the preceding 12-month period. (§ 1 ch 278 SLA 1976)

**Sec. 44.83.210. Appropriations and reports.** (a) Notwithstanding any other provision in this chapter, the authority is subject to the provisions of the Executive Budget Act (AS 37.07).

(b) The authority shall, by the 15th day of each regular legislative session, present to the legislature a report detailing project status, original costs and projected costs, particularly highlighting any costs in excess of the original cost estimates submitted for each project when that project was originally approved by the legislature. (§ 1 ch 278 SLA 1976; am § 19 ch 156 SLA 1978)

*Effect of amendment. — The 1978 amendment rewrote this section.*

**Sec. 44.83.220. Public records; open meetings.** The provisions of AS 09.25.110 — 09.25.120 and AS 44.62.310 — 44.62.312 apply to the

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authority. The authority shall publish a proposed agenda of its meetings and afford the public an opportunity to be heard in accordance with AS 44.62.312. (§ 1 ch 278 SLA 1976)

**Sec. 44.83.224. Long-term energy plan.** The Department of Commerce and Economic Development, assisted by the authority, shall, after public hearings, prepare and annually revise a long-term energy plan. The plan, and its annual revisions, shall be submitted to the commissioners of the departments of the executive branch of the government for review and to the governor for his approval. After approval, the plan shall be submitted to the legislature not later than February 1 of each year. The plan, and its annual revisions, shall include

(1) an "end-use" study examining and reporting on the nature and amount of energy used and the purpose of its use; and

(2) an energy development component for meeting projected thermal, electrical and transportation energy needs in the state at the lowest reasonable cost, including environmental and social costs, consistent with acceptable standards of reliability, giving an equal consideration as practicable to all types of energy sources (except those based on nuclear fuels) which are technologically feasible, and which promote the efficient use of facilities and fuels consistent with energy conservation goals, and the considerations specified in AS 44.83.180(e);

(3) an energy conservation component, including but not limited to,  
 (A) conservation goals for reducing consumption of energy, identifying the region for which applicable, and the source or type of energy to which the goals are applicable; and

(B) specific methods and means of achieving the goals of (A) of this paragraph;

(4) a component for emergency energy conservation measures applicable during times of emergency; and

(5) a report on areas or subjects of research and development and demonstration projects involving alternative energy systems, local energy sources, and energy conservation. (§ 20 ch 156 SLA 1978; am § 25 ch 83 SLA 1980)

**Effect of amendment.** — The 1980 amendment rewrote the section. to in paragraph (2), was repealed by § 44, ch. 83, SLA 1980.

**Editor's note.** — As 44.83.180, referred

**Sec. 44.83.230. Definitions.** In this chapter, unless the context requires otherwise,

(1) "authority" means the Alaska Power Authority established by this chapter;

(2) "bonds" means bonds, notes, or other obligations of the authority issued under this chapter;

(3) "power" includes any and all electrical energy generated, distributed, bought or sold for purposes of lighting, heating, power and every other useful purpose;

(4) "power project" or "project" means a plant, works, system, facility, water rights, fuel deposits or sources, and real estate and personal property of any nature whatsoever, together with all facilities and appurtenances related to them or necessary for the purposes of them used or useful in power production limited to fossil fuel, wind power, tidal, geothermal, hydroelectric, or solar energy production and waste energy conservation and the transmission, purchase, sale, exchange and interchange of power, and shall include any interest in them, whether divided or undivided, or any right to the capacity of them;

(5) "public agency" means any city or other municipal corporation, political subdivision, governmental unit, or public corporation created by or under the laws of this state or of another state of the United States, and any state or the United States, and any person, board or other body declared by the laws of any state or the United States to be a department, agency, or instrumentality of them;

(6) "person" includes a public agency in addition to the entities set out in AS 01.10.060(7);

(7) "reconnaissance study" means a study conducted for the purpose of assessing the present and future power needs of an area under AS 44.83.177;

(8) "feasibility study"

(A) means a study conducted for the purpose of establishing the economic and environmental practicality of completing a proposed power project under AS 44.83.181;

(B) includes engineering and design work to meet the requirements for submission of a license application for a proposed new project to the Federal Energy Regulatory Commission;

(9) "small-scale power production facility" means a facility which, by design, is to produce less than 25 megawatts of power. (§ 1 ch 278 SLA 1976; am §§ 21, 22 ch 156 SLA 1978; am §§ 26, 27 ch 83 SLA 1980)

Effect of amendments. — The 1978 amendment in paragraph (4), substituted the language beginning "power production limited" and ending "and waste energy conservation" for "the generation by means of water or fossil fuel of electric power" and deleted "production" preceding

"transmission, purchase" and "electric" preceding "power, and shall include." The amendment also added paragraphs (6) and (7).

The 1980 amendment rewrote paragraph (7), and added paragraphs (8) and (9).

Sec. 44.83.240. Short title. This chapter may be cited as the Alaska Power Authority Act. (§ 1 ch 278 SLA 1976)

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Section
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### Article 7. Susitna River Hydroelectric Project.

Section	Section
300. Description of project	340. Annual report
310. Purpose of project	350. Legislative and executive oversight
320. Preliminary reports	360. Project financing
325. Restrictions on contracting	
330. Construction, maintenance and operation of project	

**Sec. 44.83.300. Description of project.** The Susitna River hydroelectric project consists of dams and related reservoirs, and power plants located in the Upper Susitna River Basin, and related transmission lines, facilities, and load centers, as described in the Alaska Power Authority's report required by AS 44.83.320(b). (§ 2 ch 169 SLA 1980)

**Sec. 44.83.310. Purpose of project.** The primary purpose of the Susitna River hydroelectric project is to generate, transmit and distribute electric power in a manner which will

- (1) minimize market area electrical power costs;
- (2) minimize adverse environmental and social impacts while enhancing environmental values to the extent possible; and
- (3) safeguard both life and property. (§ 2 ch 169 SLA 1980)

**Sec. 44.83.320. Preliminary reports.** (a) By March 30, 1981, the authority shall prepare and submit to the governor and to the legislature a preliminary report recommending whether work should continue on the Susitna River hydroelectric project, and, if the recommendation is to continue on the project, the report shall explain in detail

- (1) economic evaluations and preliminary environmental impact assessments for the Susitna River hydroelectric project and all viable alternatives;
- (2) the federal and state permits required to be obtained before construction can begin and the expected construction start date; and
- (3) any other information the authority considers appropriate or necessary to adequately inform the governor and the legislature of the status of the Susitna River hydroelectric project.

(b) By April 30, 1982, the authority shall prepare and submit to the governor and to the legislature a preliminary report recommending whether work should continue on the Susitna River hydroelectric project, and other viable alternatives. If the recommendation is to continue on the Susitna River hydroelectric project, the report shall explain in detail

- (1) the proposed conceptual design and phases of construction of the Susitna River hydroelectric project;
- (2) the expected completion date of each phase of construction;

- (3) the expected cost of each phase of construction;
- (4) the costs to the state and consumers of the project under alternative methods of project financing, including revenue bonds, general obligation bonds, and general fund appropriations; and
- (5) any other information the authority considers appropriate or necessary to adequately inform the governor and the legislature of the status of the Susitna River hydroelectric project.

(c) The preliminary reports required under (a) and (b) of this section are in addition to any reports required under AS 44.83.180 — 44.83.224. (§ 2 ch 169 SLA 1980)

**Sec. 44.83.325. Restrictions on contracting.** The authority may not enter into contracts under AS 44.83.300 — 44.83.360 other than those contracts necessary to complete (1) feasibility studies, (2) the preliminary reports required by AS 44.83.320, or (3) construction of the Anchorage-Fairbanks intertie, until the legislature approves by law the preliminary report required under AS 44.83.320(b). (§ 2 ch 169 SLA 1980)

**Sec. 44.83.330. Construction, maintenance and operation of project.** Within one year after approval of its preliminary report submitted under AS 44.83.320(b), the authority may enter into a contract for the construction of the Susitna River hydroelectric project in a manner consistent with the purpose of the project as described in AS 44.83.310. (§ 2 ch 169 SLA 1980)

**Sec. 44.83.340. Annual report.** (a) If the Susitna River hydroelectric project is approved by the legislature under AS 44.83.320(d), beginning in 1983 the authority shall prepare an annual report which explains in detail

- (1) the status of construction on the Susitna River hydroelectric project;
- (2) the completion date of any phase of the Susitna River hydroelectric project which has been completed and the reasons for any deviation between the completion date and the expected completion date stated in the preliminary report required under AS 44.83.320(b);
- (3) the actual cost of any phase of the Susitna River hydroelectric project which has been completed and the reasons for any deviation between the actual cost and the expected cost stated in the preliminary report required under AS 44.83.320(b);
- (4) the federal and state permits necessary to begin or continue construction of the Susitna River hydroelectric project, the actual dates on which the federal and state permits necessary to begin or continue construction were obtained, and the reasons for any deviation between the actual dates and the expected dates stated in the preliminary report required under AS 44.83.320(a) in the earlier annual reports required under this section;

- (5) any other information the authority considers appropriate or necessary to adequately inform the governor and the legislature of the status of the project.
- (b) The authority shall submit a copy of any report submitted, by the authority to any member of the legislature.

**Sec. 44.83.350. Annual report.** The authority shall submit a copy of any report submitted, by the authority to any member of the legislature on or before the date of the next meeting of the legislature or and selected project plan reports, and review, or an assessments sections of the 169 SLA 1980

**Sec. 44.83.355. General obligation bonds.** Any general obligation bonds approved by the legislature shall be subject to the provisions of AS 44.83.350.

Chapter 44.83

**Section**

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SELECT - QUERY

00002 1 SECTION EQ 44.83.320,44.83.325,44.83.185,44.83.330,44.83.310

AS44.83.185 DOCUMENT= 1 OF 5

HEADINGS TITLE 44.  
STATE GOVERNMENT.  
CHAPTER 83.  
ALASKA POWER AUTHORITY.  
ARTICLE 6.  
GENERAL PROVISIONS.

CITATION SEC. 44.83.185.

CATCH LINE SUBMISSION TO THE LEGISLATURE.

TEXT (A) THE AUTHORITY SHALL SUBMIT A FEASIBILITY STUDY AND PLAN OF FINANCE FOR A PROPOSED NEW PROJECT TO THE LEGISLATURE. WHEN THE REPORT OF THE DIVISION OF BUDGET AND MANAGEMENT EXAMINING THE FEASIBILITY STUDY AND PLAN OF FINANCE IS COMPLETED AS REQUIRED BY AS 44.83.183, IT SHALL BE SUBMITTED TO THE LEGISLATURE.

(B) THE AUTHORITY MAY NOT PROCEED WITH WORK ON THE ENGINEERING OR DESIGN PHASE OF A PROPOSED NEW PROJECT FOR WHICH LEGISLATIVE APPROVAL IS REQUIRED UNTIL THE LEGISLATURE APPROVES THE PROPOSED NEW PROJECT. HOWEVER, THE AUTHORITY MAY PROCEED WITH THE ENGINEERING OR DESIGN WORK NECESSARY TO MEET THE REQUIREMENTS FOR SUBMISSION OF A LICENSE APPLICATION FOR THE PROPOSED NEW PROJECT TO THE FEDERAL ENERGY REGULATORY COMMISSION WITHOUT OBTAINING LEGISLATIVE APPROVAL OF THE PROPOSED NEW PROJECT.

(C) THE LEGISLATURE SHALL CONSIDER AND MUST APPROVE ALL PROPOSED NEW PROJECTS EXCEPT PROPOSED NEW PROJECTS THAT ARE EXEMPT UNDER AS 44.83.187. THE LEGISLATURE MAY APPROVE A PROPOSED NEW PROJECT ONLY BY ENACTING LAW AUTHORIZING THAT PROJECT.

HISTORY (SEC. 24 CH 83 SLA 1980)

AS44.83.310 DOCUMENT= 2 OF 5

HEADINGS TITLE 44.  
STATE GOVERNMENT.  
CHAPTER 83.  
ALASKA POWER AUTHORITY.  
ARTICLE 7.  
SUSITNA RIVER HYDROELECTRIC PROJECT.

CITATION SEC. 44.83.310.

CATCH LINE PURPOSE OF PROJECT.

TEXT THE PRIMARY PURPOSE OF THE SUSITNA RIVER HYDROELECTRIC PROJECT IS TO GENERATE, TRANSMIT AND DISTRIBUTE ELECTRIC POWER IN A MANNER WHICH WILL

- (1) MINIMIZE MARKET AREA ELECTRICAL POWER COSTS;
- (2) MINIMIZE ADVERSE ENVIRONMENTAL AND SOCIAL IMPACTS WHILE ENHANCING ENVIRONMENTAL VALUES TO THE EXTENT POSSIBLE; AND
- (3) SAFEGUARD BOTH LIFE AND PROPERTY.

HISTORY (SEC. 2 CH 169 SLA 1980)

AS44.83.320 DOCUMENT= 3 OF 5

HEADINGS TITLE 44.  
STATE GOVERNMENT.  
CHAPTER 83.

ALASKA POWER AUTHORITY.  
ARTICLE 7.  
SUSITNA RIVER HYDROELECTRIC PROJECT.

CITATION SEC. 44.83.320.

CATCH LINE

PRELIMINARY REPORTS.

TEXT

(A) BY MARCH 30, 1981, THE AUTHORITY SHALL PREPARE AND SUBMIT TO THE GOVERNOR AND TO THE LEGISLATURE A PRELIMINARY REPORT RECOMMENDING WHETHER WORK SHOULD CONTINUE ON THE SUSITNA RIVER HYDROELECTRIC PROJECT, AND, IF THE RECOMMENDATION IS TO CONTINUE ON THE PROJECT, THE REPORT SHALL EXPLAIN IN DETAIL

(1) ECONOMIC EVALUATIONS AND PRELIMINARY ENVIRONMENTAL IMPACT ASSESSMENTS FOR THE SUSITNA RIVER HYDROELECTRIC PROJECT AND ALL VIABLE ALTERNATIVES;

(2) THE FEDERAL AND STATE PERMITS REQUIRED TO BE OBTAINED BEFORE CONSTRUCTION CAN BEGIN AND THE EXPECTED CONSTRUCTION START DATE; AND

(3) ANY OTHER INFORMATION THE AUTHORITY CONSIDERS APPROPRIATE OR NECESSARY TO ADEQUATELY INFORM THE GOVERNOR AND THE LEGISLATURE OF THE STATUS OF THE SUSITNA RIVER HYDROELECTRIC PROJECT.

(B) BY APRIL 30, 1982, THE AUTHORITY SHALL PREPARE AND SUBMIT TO THE GOVERNOR AND TO THE LEGISLATURE A PRELIMINARY REPORT RECOMMENDING WHETHER WORK SHOULD CONTINUE ON THE SUSITNA RIVER HYDROELECTRIC PROJECT, AND OTHER VIABLE ALTERNATIVES. IF THE RECOMMENDATION IS TO CONTINUE ON THE SUSITNA RIVER HYDROELECTRIC PROJECT, THE REPORT SHALL EXPLAIN IN DETAIL

(1) THE PROPOSED CONCEPTUAL DESIGN AND PHASES OF CONSTRUCTION OF THE SUSITNA RIVER HYDROELECTRIC PROJECT;

(2) THE EXPECTED COMPLETION DATE OF EACH PHASE OF CONSTRUCTION;

(3) THE EXPECTED COST OF EACH PHASE OF CONSTRUCTION;

(4) THE COSTS TO THE STATE AND CONSUMERS OF THE PROJECT UNDER ALTERNATIVE METHODS OF PROJECT FINANCING, INCLUDING REVENUE BONDS, GENERAL OBLIGATION BONDS, AND GENERAL FUND APPROPRIATIONS; AND

(5) ANY OTHER INFORMATION THE AUTHORITY CONSIDERS APPROPRIATE OR NECESSARY TO ADEQUATELY INFORM THE GOVERNOR AND THE LEGISLATURE OF THE STATUS OF THE SUSITNA RIVER HYDROELECTRIC PROJECT.

(C) THE PRELIMINARY REPORTS REQUIRED UNDER (A) AND (B) OF THIS SECTION ARE IN ADDITION TO ANY REPORTS REQUIRED UNDER AS 44.83.180 - 44.83.224.

HISTORY (SEC. 2 CH 169 SLA 1980)

AS44.83.325 DOCUMENT# 4 OF 5

HEADINGS TITLE 44.

STATE GOVERNMENT.

CHAPTER 83.

ALASKA POWER AUTHORITY.

ARTICLE 7.

SUSITNA RIVER HYDROELECTRIC PROJECT.

CITATION SEC. 44.83.325.

CATCH LINE

RESTRICTIONS ON CONTRACTING.

TEXT

THE AUTHORITY MAY NOT ENTER INTO CONTRACTS UNDER AS 44.83.300 - 44.83.360 OTHER THAN THOSE CONTRACTS NECESSARY TO COMPLETE (1)

FEASIBILITY STUDIES, (2) THE PRELIMINARY REPORTS REQUIRED BY AS 44.83.320, OR (3) CONSTRUCTION OF THE ANCHORAGE-FAIRBANKS INTERTIE, UNTIL THE LEGISLATIVE APPROVES BY LAW THE PRELIMINARY REPORT REQUIRED UNDER AS 44.83.320(B).

HISTORY (SEC. 2 CH 169 SLA 1980)

AS44.83.330 DOCUMENT= 5 OF 5

HEADINGS TITLE 44.  
STATE GOVERNMENT.  
CHAPTER 83.  
ALASKA POWER AUTHORITY.  
ARTICLE 7.  
SUSITNA RIVER HYDROELECTRIC PROJECT.

CITATION SEC. 44.83.330.

CATCH LINE

CONSTRUCTION, MAINTENANCE AND OPERATION OF PROJECT.

TEXT WITHIN ONE YEAR AFTER APPROVAL OF ITS PRELIMINARY REPORT SUBMITTED UNDER AS 44.83.320(B), THE AUTHORITY MAY ENTER INTO A CONTRACT FOR THE CONSTRUCTION OF THE SUSITNA RIVER HYDROELECTRIC PROJECT IN A MANNER CONSISTENT WITH THE PURPOSE OF THE PROJECT AS DESCRIBED IN AS 44.83.310.

HISTORY (SEC. 2 CH 169 SLA 1980)

R0601 \* END OF DOCUMENTS IN LIST - ENTER RETURN OR ANOTHER COMMAND.



Official Business

# Alaska State Legislature

Senate

Office of the Secretary

Pouch V  
State Capitol  
Juneau, Alaska 99811

## MEMORANDUM

May 8, 1982

TO: Senator Fahrenkamp,  
Chairman  
Resources Committee

FROM: Peggy Mulligan *PKM*  
Secretary of the Senate

President Kerttula referred the attached report to your  
Committee.

# ALASKA POWER AUTHORITY

334 WEST 5th AVENUE - ANCHORAGE, ALASKA 99501

Phone: (907) 277-7641  
(907) 276-0001

April 26, 1982

The Honorable Jay S. Hammond  
Governor  
State of Alaska  
Pouch A  
Juneau, Alaska 99811

Dear Governor Hammond: *Kertula & Hayes*

Alaska Statute 44.83.300 mandates that the Alaska Power Authority prepare and submit a preliminary report recommending whether work should continue on the Susitna River Hydroelectric Project and on other viable alternatives. The law further directs the Authority to explain certain project aspects in detail, in the event of an affirmative recommendation. This letter and the accompanying materials constitute that preliminary report.

In formulating its recommendations, the Power Authority has reviewed the Acres American Draft Feasibility Report, has been briefed by Battelle Pacific Northwest on the results of the Railbelt Alternatives Study, has received an independent Susitna Project cost estimate, has received a final report from our Susitna External Review Panel, and has listened to public, agency and utility testimony about the proposed project.

The Board of Directors has concluded that the Susitna Project offers a potential of long term benefits to the residents of the State. While this potential exists, the realization of those benefits is dependent upon certain assumptions about the future that are far from certain, upon proper project development timing, and upon very skillful project management. Because of these uncertainties and the time available before any construction decision is necessary, the Authority believes it is premature to make any commitment, at this time, to actual project construction. On the other hand, since the potential exists for realizing substantial long-term benefits and since no information has come to light to suggest that environmental and social impacts, after mitigation, would be unacceptable, we recommend the following actions which were unanimously approved at the meeting of the Power Authority on April 22, 1982.

1. Pre-construction developmental efforts on the Susitna Hydroelectric Project should be continued;
2. The Alaska Legislature should authorize the Power Authority to submit a Federal Energy Regulatory Commission license application at a time deemed appropriate by the Authority. The issue of license application timing will be resolved by the Authority not later than June 30, 1982;

3. Funds in the amount of \$25.6 million should be appropriated to the Authority in FY-83 for the continuation and intensification of environmental studies, for site exploration activities, and for the initiation of project design.

Ensuing Board discussions raised several additional issues. Assessment of selected alternative power generation options should be pursued in the event that Susitna development does not proceed as scheduled for one reason or another. Specifically, we suggest that an initial assessment be made of the technical viability, environmental impact and life cycle cost of a North Slope gas generation and transmission system to serve railbelt power needs, and that feasibility studies of the proposed Chakachamna Hydroelectric Project be continued. The estimated FY-83 costs of these activities are \$200,000 and \$3,300,000, respectively.

In as much as a substantial State monetary contribution (in the form of either a loan or a grant) will be necessary to offset the relatively high power cost in the initial years of project operation, State officials should carefully consider the alternative near term uses of these State funds that would be foregone.

The Authority wishes it be understood that the recommendation to continue development activities on the Susitna Project is not an endorsement of the consulting engineer's recommendations regarding specific project details. For instance, the engineer's plan for access to the project site is the subject of reanalysis and will be reconsidered by the Authority at an appropriate future time.

With respect to the detailed information required by AS 44.83.300, please reference the accompanying draft feasibility report and associated documents. The proposed conceptual design can be found in Chapters 11-14 of Volume 1. The phases of construction and the expected completion dates for each phase are presented in Chapter 17 of Volume 1 and on Plates 75 and 76 of Volume 3. This schedule represents an optimal program under the assumption of a mid-range load growth forecast. The actual commitment to begin construction will require continued assessment of the opportunities and constraints associated with financial markets, Railbelt load growth and State revenues. The expected cost of constructing each phase is shown in Chapter 16 of Volume 1. A second estimate, prepared at Power Authority direction independently of the consulting engineer is also provided. Finally, the anticipated costs to the State and to power consumers under a number of alternative methods of project financing are presented in Chapter 18 of Volume 1. Analysis must continue on these as well as other financing alternatives.

You will find additional very important information in the other sections of the draft feasibility report, in the independent cost estimate report, in the Susitna External Review Panel report, and in the transcript of public, agency and utility testimony.

Page 3  
April 26, 1982

The Power Authority appreciates the opportunity to provide this preliminary report and make these recommendations on the Susitna Hydroelectric Project.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read 'Charles Conway', written in a cursive style.

Charles Conway  
Chairman

Attachments: As noted.

Introduced: 5/6/82  
Referred: Resources and  
Finance

1 IN THE SENATE

BY THE RESOURCES COMMITTEE

2 *CS* SENATE BILL NO. 896

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the Susitna River hydroelectric  
7 project; and providing for an effective date."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 \* Section 1. The preliminary report on the Susitna River hydroelectric  
10 project, submitted by the Alaska Power Authority under AS 44.83.320(b), is  
11 approved under AS 44.83.325.

12 \* Sec. 2. Approval of the preliminary report on the Susitna River hydro-  
13 electric project in sec. 1 of this Act is not approval of the Susitna River  
14 hydroelectric project as required by AS 44.83.185(c).

15 \* ~~Sec. 3. AS 44.83.330 is amended to read:~~

16 ~~Sec. 44.83.330. CONSTRUCTION, MAINTENANCE AND OPERATION OF PROJECT.~~  
17 ~~Within one year after (1) approval of its preliminary report submitted~~  
18 ~~under AS 44.83.320(b) and (2) authorization of the Susitna River hydro-~~  
19 ~~electric project under AS 44.83.185(c), the authority may enter into a~~  
20 ~~contract for the construction of the Susitna River hydroelectric project~~  
21 ~~in a manner consistent with the purpose of the project as described in~~  
22 ~~AS 44.83.318.~~

23 \* Sec. *3*. This Act takes effect immediately in accordance with AS 01.10.-  
24 070(c).

LEGISLATION SUMMARY

SB 896: An Act relating to the Sustina River hydroelectric project; and providing for an effective date."

Sec. 1: Approves, under existing law regarding restrictions on the Alaska Power Authority's authority to let contracts, the Susitna River hydroelectric project preliminary report, submitted by the Authority under existing law regarding preliminary reports by the authority.

Sec. 2: Establishes that approval of the report is not approval of the project, under existing law regarding legislative approval of projects.

Sec. 3: Amends existing law regarding the construction, maintenance and operation of the Susitna project, adding the requirement that the project must be approved under existing law regarding legislative approval of projects before the Authority may let a construction contract.

Sec. 4: Immediate effective date.



# Alaska State Legislature

## Senate Advisory Council

Official Business

MEMORANDUM

Pouch V  
State Capitol  
Juneau, Alaska 99811

TO: Senator Fahrenkamp  
FROM: Kurt S. Dzinich *KSD*  
SUBJECT: Senate Bill 896  
DATE: May 7, 1982

Based on review of HCSCSSB 769 (Finance) and conversation with Ken Vassar, Assistant Attorney General, a potential problem exists with SB 896.

If the goal is to allow APA to submit the FERC license application and proceed with engineering, design and studies, then passage of SB 896 as is and without other legislation will not authorize it. In order to allow for that language contained in S:c 6 of HCSCSSB 796 will still be needed.

While s:c 6 of 769 can stand on its own and will allow for FERC license application and continued engineering, if SB 896 is passed 769 language will have to be modified to be compatible with SB 896. If the decision is to proceed with 896, consideration should be given to combining all Susitna legislation under it.

SCR

12

COMMITTEE REPORT  
SENATE

FURTHER: None

2/25/81

Date: 3/13/81

Mr. President:

The Committee on RESOURCES has had SCR 12

hand rolling

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass  do not pass
- do pass with attached amendments(s)
- replace with CS for \_\_\_\_\_  same title  
 new title
- and recommends \_\_\_\_\_
- AND attaches a "Letter of Intent"  New Fiscal Note
- reports it back without recommendation
- referred to the \_\_\_\_\_ Committee

MEMBERS SIGNING  
DO PASS

MEMBERS HAVING  
OTHER RECOMMENDATIONS

\_\_\_\_\_

*W. Fischer*

\_\_\_\_\_

*Alan Sherman*

\_\_\_\_\_

*Arthur Sturgis*

\_\_\_\_\_

*Bob Mulcahy*

\_\_\_\_\_

*McKinnon*

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

*John... [Signature]*

CHAIRMAN



Official Business

# Alaska State Legislature

Senate

Office of the Secretary

March 26, 1981

Pouch V  
State Capitol  
Juneau, Alaska 99811

Mr. Nick Szabo, Chairman  
Board of Fisheries  
c/o Anchorage Westward Hotel  
Anchorage, Alaska

Dear Chairman Szabo:

Enclosed is SENATE CONCURRENT RESOLUTION NO. 12

"Relating to hand trolling." passed by the Senate March 18  
and by the House March 25, 1981.

Also enclosed is a copy for each board member.

It is requested that this resolution pertaining to the  
concerns of the Twelfth Legislature be noted at your  
present meeting.

Sincerely,

Peggy Mulligan  
Secretary of the Senate

Encls: 7

cc: *Fahrenkamp*

# Alaska State Legislature

DETTYE FAHRENKAMP, CHAIRMAN  
VIC FISCHER, Vice-CHAIRMAN  
BRAD BRADLEY  
DICK ELIASON  
DON GILMAN  
BOB MULCAHY  
ARLISS STURGULEWSKI



POUCH V  
STATE CAPITOL  
JUNEAU, ALASKA 99811  
(907) 465-3834  
(907) 465-3835

## Senate

### Committee on Resources

March 13, 1981  
1:30 p.m.

Beltz Room  
211 Capitol

---

#### MEMBERS PRESENT

SENATOR FAHRENKAMP  
SENATOR FISCHER  
SENATOR ELIASON  
SENATOR GILMAN  
SENATOR MULCAHY  
SENATOR STURGULEWSKI

---

Hearing: SJR 25 "Relating to the Klondike Gold Rush  
National Historical Park"  
SCR 12 "Relating to hand trolling"  
SB 140 "An Act creating a fishery product  
revolving loan fund"  
SB 141 "An Act making a special appropriation  
to the fishery product revolving loan  
fund"

---

#### SJR 25

John McDermott, Skagway City Council, stated there had been a considerable breakdown in communication with the National Park Service. Their major problem is with the Park Service's land acquisition policy. The policy is in draft form and there has never been a public meeting on it. He stated that SJR 25 will certainly help their situation and the City Council supports it.

Skip Elliott, Skagway City Manager, stated that he had previously outlined the City's problems when he testified on

SB 36. He said that the Park Service is more receptive since the introduction of SB 36 and SJR 25.

Senator Mulcahy put forth the motion to move SJR 25 with individual recommendations.

-----

SCR 12

Senator Eliason stated that the Board of Fisheries made a mistake at their last meeting in limiting hand trollers to one line. SJR 12 addresses some of the options to the problems the Board created.

Senator Mulcahy put forth the motion to move SCR 12 with individual recommendations.

-----

SB 140 and SB 141

Senator Mulcahy stated that the Senate Resources Subcommittee on Fisheries held hearings on SB 140 February 11th, February 18th, and March 4th. He stated that SB 141, which is an appropriations bill of \$100 million, was not addressed in Subcommittee because it is basically a Finance Committee issue. He requested that the Committee adopt the Subcommittee's CSSB140 with one amendment:

Page 1, Line 15-16, delete the words "processing of" and replace with "such processors' inventories of canned, frozen or processed"

Senator Mulcahy put forth the motion to move CSSB 140 as amended with individual recommendations.

Senator Mulcahy put forth the motion to move SB 141 with individual recommendations.

The Chairman adjourned the hearing at 2:45 p.m.



JUNEAU, ALASKA

# Alaska State Legislature

## Senate

### RESOURCES SUBCOMMITTEE ON FISHERIES

SCR 12

March 4, 1981

TO: Senator Bettye Fahrenkamp, Chairman  
Senate Resources Committee

FROM: Senate Resources Subcommittee on Fisheries

SUBJ: SCR 12 "Relating to Hand Trolling"

The subcommittee has taken testimony and reports SCR 12 back to the committee as a whole with the following recommendations.

Members	Recommendation
Senator Mulcahy <u>Bob Mulcahy</u>	<u>No Pass</u>
Senator Eliason <u>Al Eliason</u>	<u>" "</u>
Senator Gilman <u>Alan Gilman</u>	<u>No Rec</u>

Angoon: Position Paper on Handtrawling (2) 1/18/81

THE ANGOON RESIDENTS THAT ATTENDED THE RECENT BOARD OF FISHERIES MEETING IN JUNE HAVE RETURNED HOME AND HAVE REPORTED TO THE COMMUNITY ON THE NATURE OF THE MEETING AND THE NEW REGULATIONS AFFECTING TRAWLING. AS A FISHING COMMUNITY, PRIMARILY INVOLVED IN HANDTRAWLING, WE FIND SEVERAL OF THE STEPS TAKEN TO BE QUESTIONABLE, AND FIND THE LATEST 50% GEAR RESTRICTION ON HANDTRAWLING TO BE TOTALLY UNACCEPTABLE.

THE BOARD OF FISHERIES EXPRESSED THE INTENT TO VIEW HANDTRAWLING AS A "LIFESTYLE, HOBBY FISHERY." TO A COMMUNITY WITH AN UNEMPLOYMENT RATE AVERAGING 60% AND ABOVE, WE CERTAINLY DO NOT NEED OUR PRIMARY COMMERCIAL FISHING METHOD TURNED INTO A HOBBY BY THE ILL ADVISED ACTIONS OF THE STATE BOARD OF FISHERIES. WE RECOGNIZE HANDTRAWLING AS A TRADITIONAL COMMERCIAL FISHERY, AND INSIST THAT HANDTRAWLING CONTINUE TO COMPETE COMMERCIALLY WITH OTHER GEAR TYPES FOR OUR SALMON, WITHOUT

BEING MADE THE SCAPEGOAT / FOR ALL KING AND COHO SALMON ALLOCATION PROBLEMS.

ANGOOK HAS DEPENDDED AND WILL CONTINUE TO DEPEND UPON OUR FISH RESOURCES IN THE FUTURE. IN THIS REGARD, WE ARE CONCERNED ABOUT THE SALMON STOCKS AND ARE CERTAINLY WILLING TO SUPPORT PROPER CONSERVATION MEASURES. WE ARE HOWEVER UNWILLING TO BE A PAWN IN ANY GOVERNMENT GAME TO REALLOCATE OUR FISH TO OTHER GEAR GROUPS.

ANGOOK'S POSITIONS ON THE RECENT BOARD OF FISH DECISIONS ARE:

1. THE ONE HAND GURDY LIMIT IS TOTALLY UNACCEPTABLE. IT WILL DRABSTICALLY AFFECT OUR ABILITY TO COMPETE BY FORCING US TO FISH WITH LESS GEAR WHILE THE COST OF FISHING CONTINUES TO INCREASE, AND OTHER GEAR GROUPS CONTINUE TO IMPROVE IN EFFICIENCY. WITH THE SHORTENED TROLL SEASONS AND SMALLER QUOTAS, WE CANNOT TAKE ANOTHER 50% GEAR RESTRICTION.

2. WE QUESTION THE 30 DAY TROLL

closure in the spring and the 15% cut in the king salmon catch quota. We are not biologists, but after looking at the data we have, and hearing about the testimony and conduct of the Board of Fish Marketing, we ask that these measures be subject to a lot of review as this year progresses. It is our belief that there is significant question about the wisdom and need for these measures, and want them thoroughly studied and discussed before they are implemented on a long term basis.

We welcome the opportunity to discuss the handtrawl issue and our needs with anyone involved at any time. Our funds are limited for travelling to Juneau and staying for long periods of time, but this issue is vital to Angoon and representatives will be available for important meetings.

Phone contacts in Angoon for discussion of our position and needs are

788-3232

GABRIEL GEORGE

Advisory Council Chairman

788-3641

GORDY WILLIAMS

Advisory Council Vice

788-3653

WALTY FRANCIS

MAYOR

1. THERE ARE CURRENTLY A TOTAL OF 89 HAND TROLLERS IN ANGOON. OF THESE 89, 42 PERSONS CURRENTLY FISH TWO HAND GURDIES, AND WILL BE IMMEDIATELY AFFECTED BY THE ONE GURDY LIMIT. A NUMBER OF OTHER FISHERMEN EXPRESS AN INTEREST IN THE USE OF GURDIES AS THEY BECOME MORE DEPENDENT ON HAND TROLLING.

OF THE 42 HAND GURDY USERS, 38 ARE THE HEAD OF HOUSEHOLD WAGE EARNERS.

2. THE USE OF ONE HAND GURDY IS NOT FEASIBLE FOR A NUMBER OF REASONS:

a) IT'S HAZARDOUS TO HAVE ONLY ONE LINE IN THE WATER. IT CAUSES THE BOAT TO LIE TO THE SIDE WITH THE GURDY GEAR. STEERING A BOAT WITH ONLY ONE LINE OUT IS VERY DIFFICULT FOR MANY BOATS

b) IT IS NOT PRACTICAL AT ALL FOR THE SERIOUS HAND TROLLER TO FISH A SPORT REEL WHILE HE USES A GURDY. TROLLING SPREADS

ARE DIFFERENT FOR gurdy gear AND RODS, AND THE gurdy line HAS TO BE PULLED IMMEDIATELY TO KEEP ANY FISH BEING PLAYED ON A ROD FROM TANGLING AROUND THE TROLLING LINE.

C) By NATURE, SALMON OFTEN BITE FOR ONLY A SHORT PERIOD OF TIME DURING THE DAY, OR AT SPECIFIC PLACES ALONG A TROLLING ROUTE. WITH ONLY ONE gurdy IN USE, THERE WILL BE A SIGNIFICANT AMOUNT OF TIME WHEN THE HANDTROLLER WILL HAVE THIS LINE UP OUT OF THE WATER TO CLEAN IT, REMOVE A FISH, ETC.; AND WILL BE MOVING; BURNING FUEL WITH NO GEAR IN THE WATER AT ALL. ~~BT~~

SCR 12

RECEIVED 12 11 01

# TELEGRAM

WIRELESS  
COMMUNICATIONS  
CORPORATION  
1201 BAY STREET  
SAN FRANCISCO, CALIF.

02004 NL TDA PORT ALEXANDER ALASKA 161 02-03 0800A AST  
PMS SENATOR DICK ELIASON  
JUNEAU AK **103**

SIR, AS YOU MAY KNOW, PORT ALEXANDERS MAIN INDUSTRY IS TROLLING. OVER 50 PERCENT OF OUR HOUSEHOLDS DEPEND ON HAND TROLLING AS THEIR CHIEF OR ONLY SOURCE OF INCOME. WE HAVE FEW OTHER JOB OPPORTUNITIES HERE. THE ADF&G PROPOSAL TO LIMIT THE HAND TROLLERS TO 1 GURDY AND 1 SPORT POLE, WILL HAVE A PROFOUND ECONOMIC EFFECT ON OUR COMMUNITY. WITH NO OTHER EMPLOYMENT AVAILABLE, MANY FISHERMEN WILL BE FORCED TO LEAVE THEIR HOMES TO WORK IN OTHER TOWNS OR RESORT TO WELFARE.

IN THE PAST YEAR, HAND TROLLERS HAVE BEEN REDUCED FROM 4 LINES TO 2 LINES AND ARE ALSO BEING THINNED OUT BY LIMITED ENTRY. WE FEEL THE EFFECT OF THESE RECENT LAWS SHOULD BE GIVEN A CHANCE BEFORE INSTITUTING A SEVERE LAW THAT WILL PUT A LOT OF FISHERMEN OUT OF BUSINESS.

THIS PROPOSAL, IF ALLOWED TO BECOME LAW, WILL HAVE A DEVASTING EFFECT ON OUR COMMUNITY. WE ASK FOR YOUR HELP IN NOT ALLOWING THIS TO HAPPEN.

THIS LETTER UNANIMOUSLY APPROVED AT FEBRUARY COUNCIL MEETING.

RESPECTFULLY YOURS,

TAFT PERRY, MAYOR

PORT ALEXANDER CITY COUNCIL

SCR 12

# DRAFT

Register 1981 FISH AND GAME 5 AAC 39.270  
 AS 16.05.910  
 AS 16.05.920  
 AS 16.05.940

5 AAC 39.270(a) (2) and (3), (c), (d) and (e) are amended and (f) and (g) are added to read:

5 AAC 39.270. TROLL SPECIFICATIONS AND OPERATION. (a)

(2) from hand troll vessels

(A) from each hand troll gurdy: one line to which multiple leaders and hooks may be attached;

(B) from each fishing rod: one line with no more than one leader with no more than one lure or two baited hooks per leader;

(3) an aggregate of four fishing rods or an aggregate of one hand troll gurdy and one fishing rod may be operated from a hand troll vessel, however an aggregate of two hand troll gurdies may be operated from a hand troll vessel during the season specified in 5 AAC 33.365 (b) (6).

(c) Each registered power troll vessel must display its permanent vessel license plate number in permanent symbols of black on a white background. Each number must be at least twelve inches in height, with lines at least one inch in width and must be permanently affixed on both sides of the cabin or hull so as not to be obscured. The numbers must be displayed at all times until the end of the calendar year.

(d) Each registered hand troll vessel must display the letters HT in permanent block letters. Each letter must be painted on both sides of the vessel hull or cabin in a color contrasting with the background, at least four inches in height, at least one half inch in width, plainly visible and unobscured at all times. The letters must be displayed at all times until the end of the calendar year. No hand troll vessel may display its permanent vessel license number (DF&G number) in any location other than on the vessel license plate.

(e) No more than six troll gurdies may be mounted on board any salmon power troll vessel. No more than one troll gurdy may be mounted on board any salmon hand troll vessel, except that no more than two troll gurdies may be mounted on board any salmon hand troll vessel during the season specified in 5 AAC 33.365(b) (6). A troll gurdy is a spool type device around which a troll line can be wrapped and includes those devices commonly called "down riggers."

(f) No salmon power troll vessel may be used to take salmon with hand troll gear once that vessel has been licensed and marked as required in (c) of this subsection.

(g) No treble hooks may be on board any salmon troll vessel or used in the taking of salmon.

Authority: AS 16.05.251(a) (4),  
 (5) and (7)



DRAFT

Register , 1981 FISH AND GAME 5 AAC 33.392

coho salmon to escape the coastal and offshore fisheries and move into the inshore and terminal fishing areas. The department shall make inseason adjustments to salmon fishing seasons, periods and areas for conservation purposes and to limit the total commercial king salmon harvest by all gear types to a range of 272,000 to 283,000 fish (harvest calculations will start with the opening of the winter season described in 5 AAC 33.310(b)) and as follows:

(1) repealed 4/ /81;

(2) repealed 4/ /81;

(3) during the early portion of the commercial coho fishing season the department shall evaluate the size and distribution of the coho salmon run and shall close the Southeastern and Yakutat Areas' salmon troll fishery for approximately 10 days, unless the department determines that the coho salmon run is larger than the last 10 year average and that acceptable numbers of coho salmon are moving into the inshore salmon fishing areas;

(4) following any closure made in accordance with (3) of this subsection, the Southeastern Alaska and Yakutat salmon fishing areas will reopen for salmon hand and power troll fishing as provided for in the salmon hand and power troll fishing regulations contained in 5 AAC 30, 33 and 39;

(6) recognizing that the hand troll fleet retains a large potential for expansion in efficiency, it is the policy of the Board of Fisheries to regulate the troll fishery in a manner that will result in 80 percent of the troll caught coho salmon being taken by power troll gear and 20 percent by hand troll gear; the department shall evaluate the power and hand troll coho salmon catches during the closure described in (3) of this subsection; if the projected hand troll catch of coho salmon indicates that the hand troll fleet will not take 20 percent of the total coho salmon troll harvest by September 20 the department shall open a coho salmon hand troll fishing season that allows the use of two hand troll gurdies aboard a hand troll vessel;

(7) recognizing that the recent trend of higher percentages of the coho salmon taken in outer coastal areas troll fisheries reduces the manageability of the fishery and intensifies allocation problems, the Board of Fisheries has established the objective of returning inside district coho salmon troll catches to pre-1978 levels by 1984.

Authority: AS 16.05.060  
AS 16.05.251(a)(2), (3)  
and (11)

5 AAC 33.392 is amended to read:

5 AAC 33.392. SIZE LIMIT AND LANDING OF KING SALMON. King salmon taken must measure at least 28 inches from tip of snout to tip of tail (in its natural open position) or 23 inches from the midpoint of the clethral arch to the tip of the tail. The heads of all fin clipped king salmon must remain attached to the fish until sold. Undersized fish which are taken must be returned to the water without injury. The size

SCR/2

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Board of Fisheries  
Finding  
Hand Troll/Power Troll Coho Salmon Harvest Ratio  
1981

The Board of Fisheries recognizes that increased fishing effort in the troll fishery must be compensated for by additional regulatory restrictions as all chinook and coho stocks in Southeastern Alaska are fully utilized and/or depressed. However, due to the mixing of chinook and coho stocks in harvest areas and the incompleteness of the data base on which the troll fishery must be managed, time and area restrictions developed to compensate for increases in fishing effort may not be fully effective because the probability that management errors will occur is high. This means that the risk to the resource will increase as the units of gear and potential fleet efficiency increases. In recent years the major increases in troll effort have been within the hand troll segment of the fleet. The number of power trollers engaged in fishing has been stabilized by the application of the limited entry. The number of hand trollers and their efficiency, however, has increased with widespread conversion from the use of sport rods to the use of gurdy gear and the development of a full time "professional" fleet after limited entry was placed on other gear types. The development of this improved hand troll fleet resulted in major upward shifts in the proportion of the coho salmon catch taken by the hand troll fleet. The increasing hand troll catches during the 1975-1978 period were taken from the historical catches of other gear types and reduced their overall catches until the Board of Fisheries initiated regulations to limit hand troll gear effectiveness in order to maintain historical allocation balances and prevent further increases in overall effort on chinook and coho salmon in Southeastern Alaska.

In order to stabilize fishing effort on coho salmon the Board established (79-57-FB) a policy for a 80% power troll and 20% hand troll harvest ratio for troll caught coho salmon. This balance not only satisfies conservation of the resource but also assures the continued economic viability of the power troll fleet and its access to the salmon resource of Southeastern Alaska. The harvest ratio approximately reflects the harvest levels by the power and hand troll fleets at the time limited entry became effective on power trollers and when a segment of the hand troll fleet began to rely on hand gurdies and participate in the fishery on a full time basis. The reservation of an equitable harvest ratio for the two fleets will also take into account the historical fishing opportunities to hand trollers with permanent and part-time commitments to the hand troll fishery. Historical catch distributions within the hand troll fleet will be maintained because fishermen with permanent commitments will continue a relatively more intense harvest during all fishing periods while part-time participants will not be able to take maximum advantage of all fishing times and areas and will not be able to operate daily on the fishing grounds due to more limited vessel capacity and a lower level of desire to participate in a full time fishery.

Because chinook salmon are not as available to hand troll harvest as coho salmon due to the inability of hand trollers to fish as effectively in deeper water and in more distant fishing grounds, the historical allocation of chinook salmon between troll gear types will be maintained by stabilizing the effectiveness of the hand troll fleet through the gear restrictions adopted for 1981.

SER 12

ALASKA BOARD OF FISHERIES FINDINGS,  
1981 TROLL FISHERY

The Alaska Board of Fisheries, in developing the troll fishery regulations and policies for the 1981 season, considered information presented at Board meetings by the public, the staff of the Alaska Department of Fish and Game, and other fishery agencies such as Washington Department of Fisheries and the National Marine Fisheries Service. The information includes numerous written reports, materials, and testimony presented at meetings in January 1981 in Juneau or well relevant material from past meetings. The findings of the Board are:

I. RESOURCE CONSIDERATIONS

- A. Coho and chinook stocks experience significant harvest pressure when in outside waters before those stocks, many of which are depressed and depleted, have separated into more discrete runs whose strength or weakness can be ascertained in inside waters.
- B. Mixed stock fisheries that target on healthy stocks are dangerous to the maintenance of intermingled small or weak runs. Such fisheries should not be encouraged unless it is not feasible for participating fisherman to relocate in more inshore fisheries for the purpose of operating on stronger stocks after they are separated from the weak runs and they are not harmful from a conservation perspective.
- C. Further expansion of fishing effort, especially in outside waters, should be prevented to promote conservation of stocks involved, and to comply with the Board's management policy on mixed stock fisheries.
- D. The behavior of salmon in the outside waters is inconsistent and unpredictable. Harvest data can be misleading as to actual strength of runs and effects of fishing on these runs of mixed origin, since large catches may occur from relatively weak stocks when intermingled with stronger stocks.
- E. A significant time lag is involved in receiving adequate catch data from the troll fishery. This lag prevents timely inseason management decisions.
- F. Stabilization of fishing effort on chinook and coho in South-eastern Alaska is necessary because conservation of those stocks requires a minimum level of harvest which will allow escapement of sufficient fish into rivers and lakes to ensure maintenance of runs on a sustained yield basis.
- G. Further area restrictions would not diminish actual fishing effort, but would concentrate existing effort in specific times and areas made available to fishermen. However, gear restrictions do protect stocks by reductions of total effort without concentrating effort in specific times or areas.

## II. HARVEST DISTRIBUTION

- A. More than adequate capability to take the available harvest of salmon currently exists. Further increases in fishing effort on limited stocks are biologically unsound and compound the difficult management decisions that must be made.
- B. The relative distribution of salmon harvests among gear types that existed in 1975 when limited entry was imposed on power troll, gillnet, and purse seine fishermen is desirable because it would allow stocks to rebuild while not disrupting harvest opportunities in existing fleets.
- C. The number of hand troll fishing vessels has increased significantly since 1975. The absolute number of coho and chinook harvested by hand trollers has increased significantly since 1975. The relative proportion of the total catch of coho and chinook taken by hand trollers has increased significantly since 1975 as compared to the catch by other gear types.
- D. Traditionally, hand trollers utilized relatively inefficient rod and reel gear operated from small vessels close to home in the inside waters, and, except for a few villagers, fishermen rarely depended on hand trolling for their economic livelihood. In the last three to eight years, however, a significant percentage of hand trollers has converted to the vastly more efficient "gurdy" gear and has placed that gear on bigger, more mobile vessels capable of making longer trips and fishing in rougher weather. These more efficient hand troll vessels have shifted their effort towards outside waters where stocks are more mixed, a greater level of income from fishing is necessary to amortize their investment, and consequently take a greater number of fish from stocks that are already overharvested or fully utilized.
- E. The economic dependence upon fishing varies widely among hand trollers. However, most hand trollers use hand trolling to supplement other sources of income.
- F. The majority of all hand troll caught salmon are harvested by a minority of the fleet in recent years. These full time professional participants in the hand troll fleet can be expected to continue to harvest a major portion of the hand troll catch.

## III. FISHERY DEVELOPMENT

Unless adequate numbers of coho salmon are allowed to reach inside waters where the inside subsistence, commercial, and sport fisheries occur, these fisheries would not be allowed to continue. The State would have to forego the benefits of the gillnet chum fishery because coho are caught incidentally with chum salmon.

SCR

14

Amendment to  
Senate Concurrent Resolution No. 14

Lines 16-18 changed to:

WHEREAS The Southeast Alaska Conservation Council, Inc. sought  
by litigation to adjust the allowable cut in the companies contract  
to reflect the actual level of sustained yield timber harvest;  
and

Submitted by: Southeast Alaska Conservation Council, Inc.

RECEIVED  
SCHNABEL LBR. C.

MAR 17 1981

HAINES, ALASKA

*SEP 14*

March 10, 1981

RECEIVED  
MAR 13 1981

Wilson Condon, Attorney General  
Pouch K  
Juneau, AK 99811

F.B.D. & H. - Juneau

Re: SEACC v. State and Schnabel Lumber Co.

Dear Wilson:

I am enclosing an affidavit prepared in response to an inquiry from your office regarding my assessment of the impact of SEACC's appeal to the supreme court in the referenced matter on Schnabel's continued operations under the long term timber sale contract with the State of Alaska. Apparently, the inquiry was made as the result of concern arising under Chapter 92, 1980 Alaska Sess. L., which creates a forest products procedures assistance fund, money from which would be available to a forest products producer like Schnabel Lumber Company on condition that the investment is not endangered by a lack of raw materials available to the forest products producer. As indicated in my affidavit, I do not think that SEACC's supreme court appeal poses any threat to the continued supply of raw materials to Schnabel Lumber Company.

If I can be of additional assistance in this matter, please do not hesitate to call me at 265-0400.

Sincerely,

*Ann E. Prezyna*

Ann E. Prezyna  
Attorney

WP

Enclosure